



MAKING WAVES

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Time for maritime security issues at Security Council

- Pandu Utama Manggala

At the United Nations (UN) plenary meeting on June 8, Indonesia managed to gain 144 votes from 190 countries, securing a non-permanent seat on the Security Council. This will be the fourth term for Indonesia representing the Asia Pacific group at UN's most powerful body after its terms of 1973-1974, 1995-1996 and 2007-2008.

Shortly after the election, Foreign Minister Retno LP Marsudi reiterated Indonesia's commitment to world peace and to represent the interests of 193 UN member countries to the best of its abilities. As a non-permanent member of the Council four main priorities for Indonesia will be: (1) advancing peacekeeping and peacebuilding including the stronger role of women in peacemaking; (2) promoting engagement between the UNSC and regional organizations in conflict prevention; (3) forging global partnership in achieving the 2030 Sustainable Development Goals; and (4) developing a global comprehensive approach to address the root causes of terrorism and radicalism. During its tenure starting next Jan. 1 Indonesia should also add the issue of addressing maritime security.

Maritime security has become among the most salient issues in the 21st century as the ocean has become a vital component of global trade and economic growth. Roughly half the world's container ships and two-thirds of the world's oil shipments pass through the South China Sea from the Malacca Strait and the Indian Ocean. All major economies have stakes in ensuring the safe passage of shipping through the South China Sea; any interruption would tremendously impact the global economy. Constant attention and management are thus needed to secure peace and stability in the oceans.

As the largest archipelagic country, Indonesia holds strong credentials to actively ensure the safety of shipping lanes, especially since our archipelago also hosts some of the most strategic choke points for global trade including the Malacca Strait, the Sunda Strait, and the Lombok Strait. Advocating maritime security issues at the Council would further help Indonesia's aspiration to become a global maritime axis, as campaigned by President Joko "Jokowi" Widodo.

A seat on the UNSC, albeit a non permanent two-year period, gives Indonesia an important platform to raise concerns over the growing maritime non-traditional security threats, such as piracy and armed robbery, illegal fishing, people smuggling and terrorism. Piracy has been an increasing problem, particularly in Southeast Asia. Despite an overall decline in piracy attacks from 303 reported in 2015 to 221 in 2016, Southeast Asia has replaced the Somali Coast as the area most affected by piracy, with 68 incidents in the South China Sea and 16 cases involving boarding, hijacking and kidnapping in the area of the Sulu-Celebes Sea in 2016.

Piracy attacks in Southeast Asia are more related to theft of oil, as part of organized crime linked to the black market. Thus Indonesia can foster cooperation that includes naval patrols, joint aerial surveillance and intelligence sharing beyond Indonesia's current cooperation with Malaysia and the Philippines.

Indonesia can also make full use of the opportunity at the UNSC to advance the long-term "green water" ambitions of its Navy. This refers to part of Indonesia's plan to modernize its military under the 2024 Minimum Essential Force blueprint adopted in 2005. The country's green-water-navy aspires for effective policing of exclusive economic zones and to have limited regional and occasionally even international, force projection capabilities.

Thus, with awareness about the increasingly volatile maritime domain, Indonesia should not only increase its peacekeepers' personnel up to 4,000 by 2019, but should also ramp up naval capabilities through joint capacity building program and training of trainers with foreign vendors, so the Navy could perform low to high-intensity operations.

Being a non-permanent member of the UNSC, Indonesia also has the opportunity to table its Indo-Pacific Cooperation concept and seize the initiative to propose the "rules of engagement" in two strategic seas, the Indian and the Pacific Ocean. Indonesia can significantly follow up on the Jakarta Concord put forward under Indonesia's chairmanship of the Indian Ocean Rim Association from 2015-2017.

As the UNSC representative of the Asia-Pacific Indonesia can also spearhead an informal consultation mechanism for security issues in the region among Japan, China, India and Australia. And as an emerging maritime power, Indonesia should continue to play a constructive role in addressing global maritime problems through advocating enforcement of the international law of the sea, maritime diplomacy, naval improvement and regional maritime cooperation. Indonesia's international activism

in the maritime domain should be seen as a strategic repositioning in giving a much bigger impact during its short- tenure on the Security Council, as well as to strengthen Indonesia's identity as a maritime nation and an archipelagic state.

Source: www.thejakartapost.com, 04 July 2018

Maritime Security Response Team–West, Canadian EOD Train to Mitigate Threats

OFF THE COAST OF SOUTHERN CALIFORNIA - U.S. Coast Guard (USCG) deployable specialized forces (DSF) and Canadian explosive ordnance disposal (EOD) technicians trained for maritime interdiction operations during the opening events of the force integration training (FIT) phase of Rim of the Pacific (RIMPAC) Southern California (SOCAL).

This year marks the first time that the USCG Maritime Security Response Team–West (MSRT-W) has participated in RIMPAC.

Both MSRT-W DSFs and EOD technicians partnered in the training event under the umbrella of Commander Task Force (CTF) 177, RIMPAC's mine warfare commander. Assigned participants in the training came from the MSRT-W and the Royal Canadian Navy's Fleet Diving Unit Pacific. MSRT-W is headquartered in San Diego, California, and Fleet Diving Unit Pacific is headquartered in Victoria, British Columbia, Canada.

The focus of the daylong event was for the teams to observe and train alongside one another during maritime interdiction operations while boarding a training vessel identified as both high-value and high-threat that was assessed to be carrying improvised explosive devices. The added capability provided by the EOD technicians laid the groundwork for successful future operations where additional EOD expertise is required. "We work closely with a variety of federal law enforcement and other government agencies on a regular basis," said USCG Maritime Enforcement Specialist Senior Chief Richard Young, MSRT-W's operations chief. "Routinely, we get aboard the vessel, gain positive control, and ensure the vessel is safe prior to turning over custody to another agency or technical unit like EOD techs. Our training today helped us observe and integrate with our Canadian EOD partners to make sure our tactics, techniques, and procedures are aligned before we move into the next phase of the RIMPAC SOCAL exercise."

MSRT-W began operations in 2017 and the command's mission is to provide the nation with highly specialized and maritime-dedicated tactical teams able to support both homeland security and national defense operations.

Commander Task Force 177 (CTF 177) is the RIMPAC 2018 Mine Warfare (MIW) Commander, operating in the RIMPAC Southern California (SOCAL) operating area (OPAREA). Its mission is to integrate and train in the SOCAL operations area and to conduct mine warfare (MIW) and maritime security operations (MSO) to deter aggression and promote freedom of navigation and stability. CTF 177 is comprised of 26 units with approximately 1,100 personnel representing seven countries (United States, New Zealand, Australia, England, Canada, Japan, and the Netherlands).

Twenty-five nations, 46 ships, five submarines, about 200 aircraft, and 25,000 personnel are participating in RIMPAC from June 27 to Aug. 2 in and around the Hawaiian Islands and Southern California. The world's largest international maritime exercise, RIMPAC provides a unique training opportunity while fostering and sustaining cooperative relationships among participants critical to ensuring the safety of sea lanes and security of the world's oceans. RIMPAC 2018 is the 26th exercise in the series that began in 1971.

Source: www.dvidshub.net, 06 July 2018

ASEAN must engage over maritime security

- John Lee

Despite their serious disagreements over trade, the U.S., Japan and Australia are strikingly in accord on a key strategic issue -- the importance of a Free and Open Indo-Pacific (FOIP). While not overtly aimed at China, the approach is driven by concerns such as Beijing's rapid naval expansion, especially in disputed waters in the South China Sea. But the reaction of Association of Southeast Asian Nations states -- the countries most directly affected by China's push -- has largely ranged from agnostic to silent skepticism. While some states such as Indonesia and Vietnam have shown interest, most would rather avoid talking about an idea which has been criticized by China. All would prefer that ASEAN took the lead on introducing new ideas into the regional strategic conversation. The problem is that while these states are focused on

the risks of action -- engaging with the FOIP concept in this context -- there are growing risks to ASEAN of hesitation and inaction.

The FOIP concept was first introduced by Japanese Prime Minister Shinzo Abe in late 2016, further developed and endorsed by Australia when Canberra released its 2017 Foreign Policy White Paper (FPWP) in November of that year to guide policy over the next decade and beyond, and included in the Donald Trump administration's National Security Strategy released one month later.

The three partners are also eager to enlist India, which has long been a member of a loose four-state security grouping called the Quad. Although Indian premier Narendra Modi is currently reluctant to commit to FOIP, the Quad held its first meeting in a decade in November last year, raising hopes of a New Delhi rethink.

Far from being radically novel, the FOIP is a reaffirmation of the security and economic rules-based order which was cobbled together after the Second World War, especially as it relates to respect for international law, freedom of the regional and global commons such as air, sea and cyberspace, and the way nations conduct economic relations. There are several "updates." There is a deliberate move from the "Asia-Pacific" to the "Indo-Pacific" as the primary area of interest and responsibility for Washington, Tokyo and Canberra, aimed at bringing India more into play in a more broadly-conceived Asia. This shift is a response to China's People's Liberation Army's own "Two Ocean" strategy and Beijing's Belt and Road Initiative. It signals greater acceptance by Japan and Australia of a greater "security burden."

On the face of it, ASEAN ought to be comfortable with the above principles and objectives. However, there are fears that the change in and widening of geo-strategic focus will diminish the diplomatic centrality and relevance of ASEAN even though ASEAN-led meetings such as the East Asia Summit already includes India and takes on an Indo-Pacific perspective. The fact that the newfound interest in the Indo-Pacific was an initiative by three non-ASEAN states heightens ASEAN's apprehension that diplomatic events may well transcend ASEAN's central role in Southeast Asia.

Indeed, for some ASEAN states, the re-establishment of the Quad is a quintessential non-ASEAN Indo-Pacific initiative. Some believe it provides a glimpse of a post-ASEAN future within which ASEAN's standing is diminished. It is not lost on ASEAN states that the Quad brings together four democratic countries with hard power resources that exceed those of ASEAN states by a considerable margin.

Furthermore, ASEAN states seek to manage relationships with great powers by championing principles of 'inclusiveness' and "neutrality." If ASEAN is seen to support the FOIP which is largely aimed against China, the cover of its commitment to "inclusiveness" and "neutrality" will be blown. If that occurs, the ramifications of Chinese displeasure are feared even if they are unknown.

The challenge for ASEAN is that what worked well in the past will be less effective now. China is increasingly challenging U.S. preeminence and aspects of the rules-based order. Its grand strategy is to weaken the strategic role of the U.S. and degrade Washington's credibility as a security provider, and gradually dismantle its system of alliances.

ASEAN's preferred principles of neutrality and inclusiveness are well suited to an environment within which there are no major disagreements between great powers. Such principles come under strain when strategic competition between the U.S. and its allies on the one hand, and China on the other is intensifying.

Moreover, ASEAN's preference for conflict avoidance has caused the organisation and many of its member states to take a softer line against China with respect to the South China Sea. This is occurring even as China is changing 'facts on the water' in a manner which is shifting the strategic balance in its favor. It is worth noting that only five of the ten ASEAN states are claimants in maritime disputes with Beijing. The U.S., Japan and Australia are becoming less sympathetic to the perspective that disagreements over the South China Sea is primarily a China-ASEAN issue and will not sit idly by if Beijing continues to make strategic advances in that body of water.

Impatience with ASEAN will grow if it continues to sit on its hands. While it remains cost-free for all powers to pay lip service to ASEAN's central role in the region, the U.S. and allies may well bypass ASEAN entirely when it comes to the conversations about strategic issues that really matter, such as Chinese expansion.

Some ASEAN states -- such as Vietnam and Indonesia -- which have been more vocal than others in criticizing Chinese behavior -- are also frustrated with ASEAN's reluctance to voice greater disapproval of Beijing. If they subsequently decide to put more emphasis on working with non-ASEAN powers, the resulting fragmentation would be a grave danger to ASEAN.

The U.S., Japan and Australia are wise to seek ASEAN endorsement for the FOIP. Despite its growing power, China is still susceptible to collective diplomatic pressure

placed on it by the U.S., Japan, Australia, India and ASEAN. The latter can still formally remain neutral vis-a-vis other countries but advocate a common set of rules as it has done for decades. Engaging with the FOIP concept does not inherently "exclude" China -- it only voices disapproval of certain actions and policies.

Moreover, the implementation of the FOIP is at an early stage. Engaging with FOIP principles provides ASEAN countries with the opportunity to shape what it means in practice. Incidentally, and given the unpredictability of U.S. President Donald Trump, FOIP principles offer smaller states a means to criticize actions of the president such as policies seeking to arbitrarily reduce America's current account deficits and would contravene liberal rules of free trade. For the U.S., Japan and Australia, early elements of a de facto trilateral alliance are forming and the FOIP concept is here to stay. For ASEAN, the costs of inaction are significant but poorly appreciated. If it seeks to retain its central role in Southeast Asia, a passive approach will not win the day.

Source: asia.nikkei.com, 11 July 2018

PH, Aussie navies to hold maritime security activity in Palawan

PUERTO PRINCESA CITY, Palawan -- Two Australian navy patrol boats arrived here Monday to participate in a Maritime Security Activity (MSA) to enhance training, interoperability, and cooperation against terrorism and kidnapping within Palawan's water lanes. Captain Cheryl Tindog, chief of the Public Affairs Office (PAO) of the Western Command (Wescom), said the Royal Australian Navy (RAN) patrol boats will participate in the combined MSA with the Naval Forces West, Philippine Navy (Navforwest, PN) until July 25.

The activity aims to enrich the two navies' interoperability and cooperation in dealing with terrorism and kidnapping activities in water lanes that are of common interest to Australia and the Philippines. The RAN ships – Her Majesty Australian Ship (HMAS) Ararat and Wollongong Armidale-class patrol boats – will perform side-by-side activities with BRP Ramon Alcaraz (FF 16) and BRP Simeon Castro (PC 374). “There will be aboard ship training activities, maritime patrols, discussions on threats relating to maritime security, and others relevant to keeping areas of common interest safe,” Tindog said. She said the continuing conduct of joint activities such as the MSA with other navies has helped the country in preventing kidnappings and terrorism in the maritime domain. She further expressed that there is nothing for Palaweños to worry

about even with the mention of terrorism and kidnapping that the joint maritime security activity aims to address.

“Hindi dapat matakot ang *public* kasi *the usual sila* na ginagawa *under MSA* pagdating natin sa ganyang sitwasyon, alam ng *Navy* natin ang gagawin *nila* (The public has nothing to worry about because they are what are usually discussed in MSA, so that when we get to the situation, our navy knows what to do),” she said. This year's PN-RAN MSA will hold interoperability exercises on Naval Communication System, planning, individual shipboard training, maritime surveillance, and search and rescue. The PN-RAN MSA 2018 is the 4th iteration of the said bilateral activity.

Source: www.pna.gov.ph, 16 July 2018

UN seeks plans for total eradication of Piracy off Somalia Coast

NAIROBI- The UN Counter-piracy fund that has been in existence since 2011 has boosted maritime security in Somalia and Western Indian Ocean Coastline through enhanced prosecution of culprits, an official said on Friday. Jaime Serpanchy, the Secretary of UN Counter-Piracy Trust Fund (CPTF), said that technical support for countries affected by Piracy in the Horn of Africa region has improved their capacity to prosecute criminals involved in the vice.

“The trust fund’s primary mission which is to assist countries in the horn and eastern Africa region carry out piracy prosecutions has been a success, “ said Serpanchy.

“We are assisting these countries including Somalia, Kenya, Tanzania and Seychelles to counter all aspects of piracy through training of maritime police and agencies involved in the prosecution of suspects, “she added. The UN official spoke to Xinhua on the sidelines of the 21st plenary session on piracy off the coast of Somalia attended by an estimated delegates from 68 countries. Senior policymakers, representatives of multilateral agencies and security experts attended the three day Nairobi summit to discuss new strategies to eradicate piracy in Somalia waters.

Serpanchy said the UN Counter piracy trust fund has facilitated the rollout of forty projects in the greater horn and eastern Africa region to promote maritime security that is key to economic growth. “The biggest impact of the fund so far is the

establishment of a piracy prosecution center in Seychelles. It is the only center of its kind in the world, “ Serpanchy said.

She noted the establishment of a specialized center to deal with maritime crimes has contributed to a sharp drop in the hijacking of commercial vessels in Somalia and Western Indian Ocean Coastlines. “It is now possible to try pirates caught in the high seas and prevent them from interacting with the outside world, “ said Serpanchy.

She revealed that the UN counter piracy trust fund has supported training of Kenyan prison personnel on the human rights-based prosecution of criminals involved in the hijacking of merchant ships

Source: www.garoweonline.com, 14 July 2018



China's new destroyers: 'Power, prestige and majesty'

- Brad Lendon

China's navy is getting bigger and better and doing it at a speed unmatched by any nation around the globe. Earlier this month, the People's Liberation Army Navy launched two 13,000-ton Type 055 guided-missile destroyers -- Asia's largest, most sophisticated and most lethal combat ships. "This ship in particular has a sophisticated design, stealth features, radars, and a large missile inventory. It is larger and more powerful than most US, Japanese, and South Korean destroyers," said Rand Corp. senior analyst Timothy Heath. The double launching shows Beijing's unmatched military shipbuilding ability and its desire to project naval power far from Chinese shores, said Heath and other military analysts. According to a report by China Daily, posted on the PLA's English-language website, the Type 055 will have double the firepower of China's Type 052D destroyers, which it said are currently "the largest and most powerful surface combatant commissioned in the PLA Navy."

China says each new destroyer will have 112 vertical launch tubes, from which it can fire long-range attack missiles, the equivalent of the US Navy's Tomahawk missile used as recently as Washington's strikes in Syria this year. The missile launchers can also carry weaponry to target incoming aircraft, enemy ships and missiles. Anti-submarine warfare operations are the responsibility of two helicopters aboard each Type 055. The new destroyers also boast a stealth design and high-end electronic battle management system to integrate Chinese aircraft carrier battle groups, the China Daily report said. "This ship ... is designed for escorting Chinese aircraft carriers to more distant regions such as the Middle East," said Heath. That would give China a so-called "blue water" navy, one that can operate far from homeland coasts, something that right now only the US Navy can do in overwhelming numbers across the world's oceans. "The PLA Navy is progressively building a particularly well-defined 'blue water' fleet that will be in place at a certain date," said Peter Layton, a former Australian military officer and now fellow at the Griffith Asia Institute.

'The majesty of the Chinese state'

But through the Type 055's sheer size, it can send a message in waters closer to the Chinese mainland too. "The Type 55As are big, very big," said Layton. "The ships are a demonstration of the power, prestige and indeed majesty of the Chinese state and its ruling party," he added. China's new ships displace about 3,000 more tons than US or South Korea warships that have been the ones to look up to in Asian waters. In the South China Sea, the Type 055As will have a considerable size advantage over the US Navy's 10,000-ton Ticonderoga-class cruisers and 9,000-ton US Arleigh Burke-class destroyers. "The Type 55As handled aggressively they might be able to crowd US Navy ships out simply by their size," Layton said.

In the optics test outside China, big is almost always better, he added. "It could be that China places more weight on naval diplomacy and thinks port visits from a very large warship will simply overawe the locals," Layton said. Back in China, the July 3 double launch made big statements about what the US and its Asian allies, and indeed the world, can expect from Beijing in the future. The two Type 055s join two others put into the water in June, 2017, and April this year. Those ships came off a production line in Shanghai. The most recent two came off lines in Dalian, in Liaoning province, according to the China Daily. It "showcases the enormous capacity of Chinese shipbuilders," Heath said. "Most countries, including the United States, usually launch one ship at a time due to limited shipyard manufacturing capacity." Maintaining two simultaneous production lines for one model of ship, especially in the same shipyard, is pricey, showing Beijing ranks delivery schedule as more important than cost, Heath said. "China will pay whatever it takes to get them finished to a specified deadline," he added.

Matching the US Navy

Beijing will pay whatever it takes to stand toe-to-toe with the US Navy, said Carl Schuster, a former director of operations at the US Pacific Command's Joint Intelligence Center. He said he expects China to build around 20 of the high-end Type 055s and augment them with smaller Type 054 frigates and aircraft carriers in service or under construction to field four carrier battle groups by 2030. Other shipbuilding is under way for amphibious assault ships -- essentially baby aircraft carriers -- and helicopter platform docks that can move and deploy Marine ground battalions, said Schuster, now a Hawaii Pacific University professor. And China has been leaking through state media that it's working on things like an electromagnetic pulse cannon, hypersonic aircraft and the most modern of launching systems for its aircraft carriers,

he said. "China is indeed sending the signal that it is both expanding the PLA Navy and equipping it with modern naval combatants equal to that of the US Navy," Schuster said. The China Daily report said the two Type 55As launched on July 3 would soon begin sea trials, where crew and engineers will make sure everything works as planned. Those trials have yet to be completed for the two previously launched Type 055s and no estimation was given on when they might actually be ready to be commissioned and join a carrier battle group.

Source: edition.cnn.com, 14 July 2018

Us 6th Fleet Flagship enters Black Sea for drills with Ukraine - Naval Forces

USS Mount Whitney, the flagship of the United States Sixth Fleet, has entered the Black Sea for joint US-Ukrainian exercises dubbed Sea Breeze-2018, the United States Naval Forces Europe said. The statement also noted that the drills aimed to promote peace and economic stability, while ship's presence in the region assured NATO allies and partners of the US commitment to maritime security. In early July, Ukrainian Defense Minister Stepan Poltorak said that the drills would test the implementation of NATO standards by the Ukrainian Armed Forces as well as their interoperability with the alliance's ships.

Source: sputniknews.com, 08 July 2018

Military capability and international status

- Bastian Giegerich

The debate regarding the level of the United Kingdom's defence and security ambition was recently given added political piquancy with the news that Prime Minister Theresa May had reportedly challenged the Ministry of Defence (MoD) to justify why the UK should remain a 'tier one' military power. This was subsequently denied by the prime minister, but not before the new Chief of the Defence Staff, General Sir Nick Carter, commented that all countries, in some way or another, think they are a tier one military power.

Although the discussion in the UK rapidly became part of debate on the direction of London's Modernising Defence Programme (MDP) defence review, it serves to highlight the important question of how to assess military capability. The ideal for

national governments in addressing their defence and security needs should be to agree an overall strategic assessment of the character and scale of the threats they face and seek to provide capabilities that can, as closely as possible, address these. However, the return of great-power, or state-on-state, competition, is leading to a renewed focus on how to assess relative military capability.

In deciding what military capabilities to procure, or simply to maintain in service, political leaders and military planners have to find solutions that bring into some sort of equilibrium threat analysis, available resources and the level of ambition a country defines for itself. The UK's MDP is designed to this end, and UK allies will be engaged in similar processes.

In the UK context, tiers have been used before in the public-policy debate. For instance, in the 2015 Strategic Defence and Security Review (SDSR), they were used to define risks to the UK. The SDSR said: 'The NSC [National Security Council] places the domestic and overseas risks we face into three tiers, based on a judgement of the combination of both likelihood and impact. This is not, therefore, a simple ranking of their importance.' But there is little currently available on what tiers mean in the context of UK MoD defence thinking.

This perhaps reflects that public debate about these matters tends to oscillate between two extremes. In one, countries may be grouped into some form of structure, like tiers, without much supporting explanation. Another approach is to analyse military capability through complex frameworks drawing together judgements including on doctrine, organisation, training, materiel, leadership and education, personnel, facilities and interoperability, known in NATO parlance as DOTMLPFI or, in UK terminology, Defence Lines of Development (DLODs – training, equipment, personnel, information, concepts and doctrine, organisation, infrastructure and logistics).

Assessing military power

The IISS has for some 60 years provided military data and analysis in *The Military Balance* and, more recently, the Military Balance+ electronic database, to help analysts assess military capability. While it began as a solely quantitative publication, *The Military Balance* has since explored more qualitative elements of military capabilities, such as flying hours and the legislative hurdles that states have to overcome before they can deploy their military forces. Indeed, for a rigorous ranking of military power, a large number of quantitative and qualitative variables need to be

assessed. However, for a basic judgement on what kind of military actor a country is and aspires to be, it should suffice to examine its core capability portfolio.

Using a list of 11 criteria, we propose a distinction between global military powers, expeditionary powers and regional military powers. This proposal assumes that crucial differentiators in measuring military power are:

- combat capability (war fighting in pursuit of national interests);
- the potential to conduct operations across the spectrum of (and increasingly below) actual war fighting;
- maintaining balanced combat, combat-support and combat-service-support capacity;
- the range or distance at which operations can be conducted away from home territory;
- the ability both to surge for rapid intervention and to support enduring operational requirements over extended periods of time.

We think this is a valuable building block relating to a state's military potential. It is not necessarily hierarchical. And while some countries may maintain significant military holdings, levels of training and operational experience might influence a judgement of how globally significant their capability is. Indeed, it is important to remember that some countries may choose to limit the utility of their military power. Restrictions on expeditionary military power could be one example, based on national levels of ambition and factors including history and military culture. Japan is a good example of this: it has significant latent capability, but it chooses to deploy its armed forces abroad only in very constrained and limited circumstances.

Our approach also takes into account the fact that, as new elements of military power become significant, new thinking is becoming necessary to help analysts make judgements like those that have been made in the past about more traditional elements of military power. A notable case is cyber and also how states realise and integrate the promise of newly emerging militarily-relevant capabilities such as artificial intelligence and quantum computing.

These broad categories (global/expeditionary/regional) inevitably include within them distinctions concerning relative advantages in certain capability areas. For instance, the scale of capabilities, as well as their quality, will inevitably give certain

countries relative advantages over others in the same category, particularly in the context of different military contingencies. Examples here include the UK's advantage in strategic airlift compared to France, and the case in the initial stages of the war in Afghanistan when France was able to deploy a strike-carrier capability that was not – at that time – an option for the UK.

The heading 'expeditionary power' refers to countries with a proven ability to deploy limited capabilities at strategic range. France and the UK fit into this category; each have relative strengths that would give them advantages in certain contingencies. China and Russia also fit into this category, with both countries possessing significant advantages in terms of their nuclear capabilities and the overall scale of their armed forces but not – for now, at least – in their ability to project large-scale conventional power at continental range for a sustained period. The issue for France and the UK in particular is whether and to what extent they may have to trade some traditional strengths in order to invest in new requirements.

Regional military powers, on the other hand, are focused on territorial defence and tasks within their immediate neighbourhood. While they might be very capable in that particular setting, in general they lack the capacity for global force projection. Examples would include not just Japan, already mentioned, but also Germany, India, Iran, Italy, the two Koreas, Pakistan and Saudi Arabia.

The key factor is that this is not a static but a dynamic matrix, set against a backdrop of significant strategic upheaval. The apparent trajectory of major players like China and the decisions that some states – like the UK – face could significantly affect their portfolio of capabilities and their standing as global, expeditionary or regional military powers.

Source: www.iiss.org, 03 July 2018

Boeing (BA) Wins Navy Deal to Upgrade P-8A Aircraft Program

The Boeing Company recently won a modification contract for offering supplies and services to support its P-8A aircraft program. Work related to the deal is scheduled to be over by July 2019.

Details of the Deal

Valued at \$17.8 million, the contract was awarded by the Naval Air Systems Command, Patuxent River, Maryland. Per the agreement, Boeing will conduct aircraft test operations, maintenance and support operation of the Naval Air System Command's System Integration Laboratory. It will also carry out maintenance and support operation of test equipment and test asset support equipment.

The majority of the task will be executed at the Naval Air Station, Patuxent River, MD. The company will utilize fiscal 2018 research, development, test and evaluation (Navy) funds to complete the modification.

P-8A Jet's Specifications

Boeing's P-8A is an aircraft designed for long-range anti-submarine warfare, anti-surface warfare, and maritime surveillance and reconnaissance missions. The aircraft is capable of broad-area maritime and littoral operations as well.

It is also effective at search and rescue missions. P-8 is a derivative of the Next-Generation 737-800, which combines superior performance and reliability with an advanced mission system to ensure maximum interoperability in the future battle space.

Our View

Boeing, being one of the major players in the defense business, stands out among its peers by virtue of its broadly diversified programs, strong order bookings and solid backlog. This aids the company's defense unit — Boeing Defense, Space & Security (BDS) segment — to exhibit a solid revenue generation history. Evidently, revenues at the BDS unit improved 13% year over year in first-quarter 2018.

Moreover, Boeing's key forte lies in manufacturing combat-proven aircraft. In fact, it has been inevitably securing large number of contracts from the Pentagon for long, courtesy of its proven expertise in aerospace programs. For instance, the aircraft giant secured a \$131 million deal for MH-47G Block II jet, \$1.6 billion deal for delivering 4 P-8A jets to New Zealand Air Force and a \$4.2 billion contract to build variants of V-22 jets in last few days. Considering these awards, we may expect the company's impressive top line performance to continues in the coming days.

Meanwhile, fiscal 2019 U.S. defense budget, which was approved last month, provisioned major war fighting investments of \$21.7 billion for aircrafts. It also included an investment plan of \$2.2 billion for 10 P-8A Poseidon jets. Such proposed inclusions reflect solid growth prospects for the BDS segment, which in turn are likely to boost Boeing's profit margin in the future.

Price Movement

In a year's time, Boeing has surged about 67.8% compared with the industry's 30.7% rally. The outperformance can be primarily attributed to robust worldwide demand for its commercial aircraft and military jets.

Zacks Rank & Key Picks

Boeing currently carries a Zacks Rank #3 (Hold). A few better-ranked stocks in the same space are Northrop Grumman, Engility Holdings and Wesco Aircraft Holdings. While Northrop Grumman sports a Zacks Rank #1 (Strong Buy), Engility Holdings and Wesco Aircraft Holdings carry a Zacks Rank #2 (Buy). Northrop Grumman delivered an average positive earnings surprise of 13.87% in the trailing four quarters. The Zacks Consensus Estimate for 2018 earnings moved up 6.9% to \$16.62 in the last 90 days. Engility Holdings came up with an average positive earnings surprise of 15.08% in the last four quarters. The Zacks Consensus Estimate for 2018 earnings inched up 0.5% to \$1.91 in the last 90 days. Wesco Aircraft Holdings' long-term growth rate is projected at 12%. The Zacks Consensus Estimate for 2018 earnings moved north 10% to 77 cents in the last 90 days.

5 Medical Stocks to Buy Now

Zacks names 5 companies poised to ride a medical breakthrough that is targeting cures for leukemia, AIDS, muscular dystrophy, hemophilia, and other conditions. New products in this field are already generating substantial revenue and even more wondrous treatments are in the pipeline. Early investors could realize exceptional profits.

Source: www.zacks.com, 13 July 2018

Navy: Chinese Spy Ship Monitoring RIMPAC Exercise, Again

- Sam LaGrone

A previous version of this post incorrectly stated a Chinese AGI monitored the RIMPAC exercise in 2016. In fact, the AGI in 2016 belonged to the Russian Navy. A Chinese surveillance ship is operating off the coast of Hawaii to keep tabs on the U.S.-led Rim of the Pacific (RIMPAC) exercise, a Navy official confirmed to USNI News on Friday. The People's Liberation Army Navy's (PLAN) auxiliary general intelligence (AGI) ship has been operating in the exclusive economic zone (EEZ) off the coast of Hawaii since July 11, U.S. Pacific Fleet spokesman Capt. Charlie Brown told USNI News on Friday. "We expect the ship will remain outside the territorial seas of the U.S. and not operate in a manner that disrupts ongoing RIMPAC exercise," Brown said. "We've taken all precautions necessary to protect our critical information. The ship's presence has not affected the conduct of the exercise." The Honolulu Star-Advertiser first reported the presence of the AGI off Hawaii. "It is very disappointing that the presence of a non-participating ship could disrupt the exercise," Chilean Navy Commodore Pablo Niemann told the Star-Advertiser on Thursday. "I hope and expect all seafarers to act professionally so we may continue to focus on the work at hand and building on the spirit of cooperation that gives purpose to this exercise." Australian media reported that a Chinese AGI tracked a Royal Australian Navy ship headed to RIMPAC. However, it is unclear if it was the same one currently off the Hawaiian islands.

USNI News understands the uninvited AGI off Hawaii is a Dongdiao-class, the same type of ship China has used to monitor the RIMPAC exercises in 2014. In 2016 a Russian AGI monitored the exercise from the Hawaiian EEZ. The expected arrival of the AGI follows the late May revocation of the invitation of the PLAN from RIMPAC exercise. In 2014 and 2016, the U.S. was fine with the Chinese and Russian ships operating in the vicinity in the of the exercise in compliance with the U.N. Law of the Sea Convention. "We continue to uphold the principle of freedom of navigation and overflight in accordance with international law," Brown told USNI News. The presence of the ship off of Hawaii can be used a tool to justify more U.S. presence operations closer to China, Andrew Erickson, a professor at the Naval War College, told USNI News on Friday. "The U.S. shouldn't let China have it both ways," he said. "No matter what Beijing says or does, U.S. forces must continue to operate wherever international law permits, including in, under, and over the South China Sea—a vital part of the global maritime commons that is 1.5 times the size of the Mediterranean and contains substantial areas that no nation can legally claim for itself or restrict access to in any way."

Source: news.usni.org, 14 July 2018

Pakistan To Have Independent Regional Maritime Patrols In Indian Ocean

- Imaduddin

KARACHI: Chief of the Naval Staff, Admiral Zafar Mahmood Abbasi on Saturday announced that the country in pursuit of its national interests and strategic autonomy will institute independent Regional Maritime Patrols in the Indian Ocean. Addressing the commissioning parade of the 109th Midshipmen and 18th Short Service Commission (SSC) Course here at Pakistan Naval Academy, PNS Rahbar, he said Pakistan stands for peace and amity in the region. “We seek harmonious and peaceful co-existence in the comity of nations,” said the Naval Chief of Pakistan. He emphasized that it will be a mistake if Pakistan’s desire for peace is construed as its weakness as the country is fully capable of giving a befitting response, in case of any aggression.

The Naval Chief reiterating the firm resolve of Armed Forces in protecting the boundaries and interests of the country said they were at the forefront of the national resolve to cleanse Pakistan from the scourge of terrorism. “Pakistan Navy on its part is maintaining a robust security posture along the Pakistani Coast and in the regional seas to deter the nefarious elements from any illicit activities in the maritime domain,” said Admiral Zafar Mahmood Abbasi. The Naval Chief on the occasion also referred to the strategic shift from erstwhile participation of Pakistan Navy in the Combined Task Forces 150 and 151 under the auspices of Combined Maritime Forces to Regional Maritime Security Patrols. “In order to pursue our national interests with strategic autonomy, we have now decided to institute Regional Maritime Security Patrols in the Indian Ocean Region in line with the UN Resolutions and UN Convention on Law of the Sea,” he said. The initiative was said to be aimed at maintaining robust security posture in the critical sea areas and choke points in the Indian Ocean Region for protection of national and international shipping against the threats of maritime terrorism, piracy, narco-arms smuggling and human trafficking.

He on the occasion advised the graduating officers to hold fast to the principles of faith, loyalty, courage and professional excellence. The Naval Chief expressed his satisfaction that professional training on most modern lines were being offered to the cadets of the country as well as those belonging to several other friendly countries at the academy. Earlier in his welcome address, Commandant Pakistan Naval Academy,

Commodore Syed Faisal Hameed highlighted the salient features of the officers' training. The Commandant mentioned that cadets from Bahrain, Maldives, Qatar, Saudi Arabia and Yemen were also undergoing training at Pakistan Naval Academy. Later, the Chief Guest gave away prizes to the winners. The prestigious Quaid-e-Azam Gold Medal was conferred upon Lt Roheel Shahzad PN. Midshipman Kashif Abdul Quyyom was awarded the coveted Sword of Honour for his overall best performance.

Midshipman Dayyan Ahmed won the Academy's Dirk; Officer Cadet Badar Ali was given Chairman Joint Chiefs of Staff Committee Gold Medal, Officer Cadet Mohammed Lahim S Aldawsri from Kingdom of Saudi Arabia was awarded Chief of the Naval Staff Gold Medal and Officer Cadet Muhammad Arshad from SSC Course clinched the Commandant Gold Medal. Proficiency Banner was re-claimed by Forecastle Squadron. The ceremony was attended by a large number of senior military officers, including Commander Royal Bahrain Coast Guards and Commander Royal Bahrain Naval Force both of whom are alumni of Pakistan Naval Academy; Ambassadors, Defence Attaches of various countries, civil dignitaries and parents of passing out midshipmen and cadets.

Source: www.brecorder.com, 07 July 2018

Projects Worth Rs 20,000 Crore Under Implementation To Boost Ports Capacity

As many as 39 projects entailing investment of Rs 20,535 crore are under implementation to augment the capacity of 12 major ports, an official said. These projects are part of 112 port capacity expansion projects, involving total investment of Rs 69,636 crore, that have been planned to increase port capacity to 3,500 million tonne per annum (mtpa) to cater to the projected traffic of 2,500 mtpa by 2025. "Out of these 112 port master plan projects, 39 projects at a cost Rs 20,535 crore are under implementation," a Shipping Ministry official said. As many as 15 projects worth Rs 6,920 crore have already been completed, while 11 projects entailing an investment of Rs 5,485 crore are under tender process, the official added.

These 112 port capacity expansion projects had been identified for implementation over next 20 years and are expected to add 780 mtpa capacity at major ports. India has 12 major ports, namely Kandla, Mumbai, JNPT, Mormugao, New Mangalore, Cochin, Chennai, Ennore, V O Chidambaranar, Visakhapatnam, Paradip and Kolkata (including Haldia), which handle approximately 61 per cent of the country's total cargo traffic. Buoyed by pick up in demand, cargo traffic at these ports rose by 4.77 per cent to 679.35 million tonnes (MT) during 2017-18 compared to 648.39 MT during 2016-17. The 12 major ports have capacity of about 1,400 million tonnes at present. In addition to the port master plans, the government has also announced setting up six new ports at Vadhavan (Maharashtra), Enayam (Tamil Nadu), Tajpur (West Bengal), Paradip Outer Harbour (Odisha), Sirkazhi (Tamil Nadu) and Belekeri (Karnataka). "Techno- Economic Feasibility Reports (TEFR) have been prepared for five locations and is under preparation for Tajpur. DPR (detailed project report) is under preparation for Port of Vadhavan, Enayam and Paradip Outer Harbour Project," the official said. Earlier the Cabinet has given in-principle approval for development of a transshipment port at Enayam.

Source: economictimes.indiatimes.com, 17 July 2018

Not Just Pulicat Lake, Kattupalli Port Expansion A Threat To Salt Pans Too?

CHENNAI: The proposed Kattupalli Port expansion would not only threaten the Pulicat Lake but endanger salt pans as well and cause more sea erosion, say environmentalists. In 2012, the Indian Space Research Organization's Space Application Centre (SAC) predicted in its report, Coastal Zones of India, that 10 lakh people and 144 sq km of land in Chennai are in danger of submergence by 2050 due to sea level rise. SAC's report says that Chennai stands to lose 3 sq km of critical industrial infrastructure, mostly in Ennore. Rise in sea level is caused by climate change as well as by man-made interventions such as ports and harbours.

M Raman, first Chairman-cum-Managing Director, Ennore Port, has echoed the environmental concerns and said when environment clearance was granted for Ennore Port, one of the conditions was that there should not be any development towards the northern side. The current 'minor' Kattupalli port itself is an aberration as in 2004, Integrated Coastal and Marine Area Management Project Directorate of Ministry of Earth Sciences prepared a shoreline management plan for Ennore, which says that any development further north will pose an inevitable threat to Pulicat Lake.

The land ownership details in the PFR and Form 1 submitted by Kattupalli Port-operator Marine Infrastructure Developer Private Limited (MIDPL), a copy of which is with Express, reveal that the Port expansion will be carried out in 2120.28 hectares, which includes 136.28 hectares of existing area, 761.8 hectares of government land, 781.4 hectares of private and proposed sea reclamation of 440.8 hectares.

MIDPL, acquired by Adani Ports and Special Economic Zone Limited, is already in discussion with concerned state authorities for acquisition of said land for using it for development of port backup infrastructure facilities as per Revised Master Plan. Total proposed quantity of capital dredging is 40 Mm³ (million cubic metre) and the dredged material will be used for reclamation and level-raising.

This apart, two new Breakwaters of a total 9.35 km length is proposed, of which new Northern Breakwaters will be about 6.2km and 1.3km and new Southern Breakwater will be about 1.85km. Environmentalist Nityanand Jayaraman said it is not just Pulicat Lake that will be hit. "If the salt pans, which fall under CRZ-1, are built upon people will be left defenseless when disasters like flash floods or tsunami strike. Salt pans are buffer and act as natural barriers. There is a very narrow sand bar that

divides Bay of Bengal and Pulicat lake near the lighthouse and the stretch is fast eroding due to Kattupalli port. With the proposed expansion, the lake will merge with the sea which will severely dent fisheries and overall ecosystem.”

R Natarajan, Head, Corporate Affairs (South), Adani Ports, however, rubbished claims that proposed Kattupalli port expansion would affect Pulicat lake. “Pulicat lake is about 15km from the port. The expansion will have no bearing on the lake. While conducting EIA studies, which will take about a year, all environmental norms will be kept in mind. As per CRZ Notification, 2011 certain port-related activities are allowed in CRZ areas and the master plan has been prepared accordingly otherwise the proposal would not go through the clearance process,” he said. With regard to sea reclamation, Natarajan said as of now there was no reclamation being done. It is only envisaged. A detailed study has to be conducted, he said.

Research says Rise in sea level is caused by climate change as well as by man-made interventions such as ports and harbours

Source: www.newindianexpress.com, 11 July 2018

Kakinada Container Terminal Successfully Handles High Parcel Vessel

Kakinada Container Terminal has achieved another significant landmark by safely handling a high parcel vessel of 1,750 moves. The vessel berthed on July 4, 2018 and sailed on July 6 after the discharge of 1,300 units and export of 450 units and hatch cover moves. It had arrived from Yangon to discharge the boxes and proceeded to Yangon with shipments of sugar. The KCT team completed the vessel handling, factoring in the unpredictable rain, etc., achieving average productivity of 20.81 moves per hour, highlighted a release. M.V. BLPL Trust is operated by BLPL. BLPL has been amongst the consistent supporters of Kakinada Container Terminal, regularly carrying sugar to Yangon. It has also occasionally carried other cargo to other destinations as well. The KCT management thanked BLPL for giving it the opportunity to prove its mettle. BLPL was also happy as this heavy parcel was completed within the stipulated time, the release pointed out. Mr M. Subramanian, Terminal Manager, said this was a happy moment for KCT and thanked BLPL for reposing confidence in the terminal, the release added.

Source: www.indiaseatradenews.com, 10 July 2018

Indian shipping companies headed for troubled waters

- Lalatendu Mishra

A proposed move by the Centre to abolish the Right of First Refusal (ROFR) clause for transportation of Indian cargo by Indian-flagged vessels — the only benefit available to Indian shipping companies — is threatening the existence of the domestic shipping industry. Anticipating a bleak future, Indian shipping companies — which have a combined fleet of 1,372 ships with a total capacity of 12.35 million Gross Tonnage (GT) — are mulling over de-registering their vessels from India and flag them in tax havens of Panama and Bahama to survive and compete with foreign lines. Having recently relaxed norms benefiting foreign shipping lines, the government is now preparing ground to do away with the ROFR clause which ensures Indian-registered ships carry Indian bulk dry/liquid cargo of Indian public and private sector companies at the lowest rate quoted by a foreign shipping line by matching the price. Thus, while it does not add any extra cost to the importer or exporter, it provides assured business to the national fleet at a rate quoted by a foreign line.

Multiple taxes

Currently, 92% of India's export import trade is carried by foreign flag ships. And the 8% that is assured to Indian ships is likely to go if the ROFR is scrapped. This benefit is provided since foreign flag vessels do not pay any tax in India while Indian companies are costlier since they have to pay multiple taxes. In 2017 alone, Indian shipping companies have made investments of around ₹4,700 crore in assets in anticipation of business. All this investment is at stake, said ship owners.

Recently, the Union Shipping Ministry issued orders that permitted foreign flag vessels to transport export import-laden containers, agri products, horticulture, fisheries, animal husbandry commodities and fertilizers between two or more Indian ports without obtaining a licence from the Directorate General of Shipping. All this means is that an Indian flag vessel, if available, has lost the opportunity of doing this business. Indian shipping companies said this move is being contemplated without any consultative process. Also, the integrity and security of transportation of critical cargo in times of war or economic sanctions seem to have been completely ignored, they said. "The proposal to remove ROFR is not only retrograde but also flies in the face of data which shows that such a policy has aided growth of Indian flag tonnage with beneficial freight rates to consumers — after all, Indian vessels only match the lowest rate of the foreign flag," Anil Devli, director-general, Indian National

Shipowners' Association, said. "It is sad that an industry which employs close to 30,000 persons with assets of approximately ₹68,000 crore and whose contribution to the exchequer is in excess of ₹8,000 crore in a year is being forced to shut down needlessly," he added. "The right of first refusal is the only incentive to the Indian flag, which suffers from many disadvantages versus foreign flags. It is also an incentive that comes at no cost to anyone. Removal of ROFR will strike at the very foundations of Indian shipping," said G. Shivakumar, executive director, The Great Eastern Shipping Company Ltd. The government's move to deny Indian shipping companies the ROFR will put the already-battered firms at a disadvantageous position against foreign liners, said Ranjit Singh, executive director & CEO, Essar Shipping. Mr. Singh added: "This untoward move will push Indian ship owners to immediately plan for de-register their ships from Indian Register and flag them out of India as it would reduce their cost of operations."

'Strategic blow'

Analysts said de-registering of vessels from the Indian flag will be a strategic blow to Indian security as merchant naval fleet always acts as a second line of defence for coastal security. However, some experts feel the objective of the government is to shift cargo movement from railways and roadways to the waterways to reduce logistics costs and ensure faster movement of cargo, which the domestic lines have failed to deliver. "This move should not be looked at in isolation. The government wants to build volumes and see a large-scale shift of cargo movement to waterways which foreign lines can provide as we do not have a strong domestic shipping industry," said Jagannarayan Padmanabhan, director, CRISIL Infrastructure Advisory.

Source: www.thehindu.com, 14 July 2018

India overtakes France to become world's sixth-largest economy

- Vrishti Beniwal

India has overtaken France to become the world's sixth biggest economy, latest data from the World Bank show. The South Asian nation is now a \$2.597 trillion economy and only a tad higher than France's \$2.582 trillion. It will be the world's fourth-largest economy by 2022, according to projections by the International Monetary Fund.

Source: www.bloomberg.com, 11 July 2011



MARINE ENVIRONMENT



Maritime experts look to better protect coastal and reef environments

In the face of rising maritime accidents in the Pacific region, maritime experts from 12 Pacific Islands Countries gathered this week to discuss and receive training focused on creating a safer environment for ships operating coastal island waters. The workshop, which took place 25-26 June, was implemented by the Pacific Community (SPC) with support from the International Foundation for Aids to Navigation (IFAN) as part of the Pacific Safety of Navigation Project. Workshop participants, made up of Aids to Navigation Managers and representatives of government responsible for Aids to Navigation (AtoN), also undertook an internationally recognised training on the “SIRA” risk assessment tool on the 27-28 June, which was facilitated by the International Association of Marine Aids to Navigation and Lighthouses World Wide Academy (IALA WWA). “The 2-day “SIRA” course empowered the 15 participants to conduct formal risk assessments in their waters which, once actioned, will improve navigational safety, protect the marine environment and enhance the maritime economic climate in each State”, added Mr Stephen Bennett, Vice Dean of IALA World Wide Academy, who delivered the training.

The Pacific Safety of Navigation Project has been active since 2016, and over the course of the past two years, phase one of this project has seen SPC conducting visits in 13 targeted PICTs, to identify the needs for safety of navigation systems through a technical, legal and economic assessment. Ms Francesca Pradelli, SPC Project Manager of the Pacific Safety of Navigation Project, highlighted the importance of project for Pacific maritime safety saying, “creating a safe environment for ships in Pacific islands coastal waters is of paramount importance for the protection of our reefs and coasts. Aids to Navigation marking maritime routes must be properly installed and maintained by Pacific islands countries to safety information to all at sea.” Over the course of the two days of workshop sessions, participants conducted an in-depth analysis of phase one results and agreed on technical assistance activities to be undertaken in the next years to further improve delivery of AtoN services in the Pacific. The Pacific Safety of Navigation project has been very useful for Samoa, as it has provided the Maritime Administration with appropriate information, both technical, economical and legal”. declared Ms Makerita Atonio, the representative from Samoa.

During the next three years SPC will assist all 13 PICTs as they conduct risk assessments and implement the phase one recommendations including an update or development of an AtoN Register, the provision of laws or alternative instruments to strengthen PICTs legal framework on safety of navigation and the development of budget and maintenance plans.

Source: www.spc.int, 04 July 2018

Arctic whales threatened by collisions and noise pollution as ships begin crossing melting sea ice

- Josh Gabbatiss

As shipping lanes open up in the Arctic due to vanishing sea ice, this untouched haven for marine creatures will be exposed to the new threat of boat traffic. Whales are particularly vulnerable as noisy ships interfere with their communication and cause fatal collisions. In a new Nasa-funded study, a team of American researchers have identified for the first time the risks posed to Arctic mammals as ships containing freight and tourists enter their habitat. “We know from more temperate regions that vessels and whales don’t always mix well, and yet vessels are poised to expand into this sensitive region,” said lead author Professor Donna Hauser, a marine ecologist at the University of Alaska Fairbanks. “Even the North Pole may be passable within a matter of decades. It raises questions of how to allow economic development while also protecting Arctic marine species.” The Arctic is experiencing unprecedented changes as warming proceeds at a rate two or three times faster than the global average, melting vast expanses of ice. However, many in the shipping industry see this as a business opportunity. Current estimates suggest weeks could be knocked off international journeys using these newly opened lanes. Already, ships unescorted by icebreakers have begun to cross the previously impassable northern sea route. Professor Hauser and her colleagues looked at 80 populations of seven mammal species native to the Arctic, including polar bears, seals and whales.

They found over half the populations identified to be at risk as ships come crashing into their territory, and whales such as narwhals, belugas and bowhead whales are particularly threatened. “Narwhals have all the traits that make them vulnerable to vessel disturbances – they stick to really specific areas, they’re pretty inflexible in where they spend the summer, they live in only about a quarter of the Arctic, and they’re smack dab in the middle of shipping routes,” said co-author Dr Kristin Laidre, a polar scientist at the University of Washington. “They also rely on sound, and are

notoriously skittish and sensitive to any kind of disturbance.” Whales and dolphins use sounds to communicate and locate prey underwater, meaning the disturbance caused by ships can seriously hamper their regular activities. Even worse, ship strikes are a major cause of death and traumatic injury among slower moving species such as bowhead whales. The scientists urged policy makers to use their research as a framework on which to create new guidelines that will minimise harm to local creatures – such as setting maximum noise levels. “We could aim to develop some mitigation strategies in the Arctic that help ships avoid key habitats, adjust their timing taking into account the migration of animals, make efforts to minimise sound disturbance, or in general help ships detect and deviate from animals,” said Dr Laidre. The results were *published in the journal* Proceedings of the National Academy of Sciences. Moves have already been made towards protecting the pristine Arctic environment that is being exposed by global warming.

In December, the EU and nine of the world’s major fishing nations announced an agreement to ban fishing in the Arctic Ocean for the next 16 years, allowing time to assess its fragility. Anticipating the impact even a minor oil spill could have in the region, the International Maritime Organisation is considering a ban on heavy fuel oil in a protected Arctic zone. However, the exploitation of polar shipping routes has been met with scepticism by environmental groups, with Greenpeace noting the irony of using the newly emerged Arctic seas as a highway for ships to transport fossil fuels more efficiently.

Source: www.independent.co.uk, 02 July 2018

Coal power plants are ecological disasters

Coal is the dirtiest source of fossil fuel. When burned it produces emissions that cause global warming, create acid rain and pollute water and farm land. Coal burning produces many pollutants. These are sulphur dioxide, nitrogen oxides, particulate matter (PM), heavy metals and radioisotopes. Pollution from coal – fired power plants lead to numerous respiratory, cardiovascular, and cerebrovascular effects. Coal dust released during coal transport can cause severe and potentially deadly respiratory problems.

Pollution from particulate matter

The particulate matter emitted from coal plant (PM) has a very grave effect on public health. The main contributor to the particulate matter is coal fly ash, and minor are

sulphate and nitrate Coal fly ash is the incombustible materials that is 20% of the collected coal – ash. Particulate matter causes irritation and obstructions on fine airways of the lungs. This leads to asthma and chronic bronchitis. Every four tons of coal burned produce one ton of ash. It is further estimated that one ton of ash can spread over up to 150,000 square km (60,000 square miles). Fly ash can travel up to 40 - 50 km in the down wind direction. It settles down subsequently causing land degradation, severe air and water pollution and diseases in plants and animals, including humans.

Under this coverage area the harmful substances have been detected even in the milk of cows. According to WHO, exposure to PM increases the risk of death from heart disease, respiratory diseases and lung cancer. A study conducted in USA found that the underground dumped ash (produced by coal – fired power plants) has contaminated ground water. The toxic contaminants include Arsenic and lead. Arsenic causes skin, bladder and lung cancer and leads damage to the nervous system. Local aquatic life is also disrupted due to the coal ash life cycle because coal ash also transmits various types of toxic contaminants into the local atmosphere which travels to other sites with air. The carried over coal ash is dropped and dissolved in ponds, lakes and rivers. A research conducted by Stuttgart University estimates that the air pollution caused by coal – fired power plants was responsible for 22,300 premature deaths in the EU in 2010.

Pollution from nitrogen, sulphur oxides

Modern day coal power plants pollute less than older designs due to new technologies that filter the exhaust air in smoke stacks. However emission levels of various pollutants are greater than the emissions from natural gas power plants. Pollution from coal – fired power plants comes from the emission of gases such as nitrogen oxides and sulphur oxides into the atmosphere. These gases react with the atmospheric air to create acidic compounds, which precipitate as rain leading to acid rain.

Pollution from heavy metals

Coal contains many heavy metals. Many of the heavy metals released in the burning of coal are environmentally and biologically toxic elements, such as lead, mercury, cadmium and arsenic, as well as radio isotopes. A research conducted by University of Stuttgart under commission from Greenpeace found that coal-burnt power plants were the largest source of mercury air emissions in the EU. It is stated that 200,000

babies are born each year in the EU with mercury levels harmful to their mental and neurological development. A 500 MW coal power plant produces 170 pounds of mercury per a year. A teaspoon of mercury added to a 25-acre lake will make the fish in that lake unsafe for consumption. Lead and Cadmium are toxic metals that accumulate in human and animal tissues leading to mental retardation, development disorders and damage to the nervous system. A 500 MW coal powered plan produces 225 pounds of arsenic per year. In people who drink water which contain 50 parts per billion of arsenic, the chance of developing cancer is 1 in 100.

Radioactivity and coal

Coal contains minor amounts of the radioactive elements, uranium and thorium. When coal is burned, the fly ash contains uranium and thorium “at up to 10 times their original levels.”It has been estimated that concentration of radioactive material is increased from 0.03% to 0.12% annually in the upper 30 cm. layer of soil in a radius of 20 km of coal power plants.

Retirement of coal-power plants

USA has retired 175 coal fired power plants up to 2016. Britain has built 30 gas fired power plants to replace coal powered plants. France only produces 4% of its electricity needs from coal fired plants and even then has closed down 7 coal – fired units. Germany is moving towards renewable energy sources and has announced that the coal power plant opened in 2017 would be the last such plant in Germany.Canadian coal consumption has been reduced to 42% since 2005. The decrease is because Canada is gradually stopping power generation from coal – fired power plants. China is moving away from coal and at present has the highest wind power capacity in the world. China will soon overtake Germany for installed solar power capacity.

Norochcholai power plant

No detailed study of pollution from Norochcholai power plant is available. The silence from Universities and environmental agencies is quite surprising. We know that pollution in Kandy and Colombo and various water bodies are frequently studied and communications are submitted. However a report from an activist about the Norochcholai power plant shows the importance given to environmental protection. He states that the cooling towers ocean intakes have a screen that is intended to stop large fish and shellfish going through the pipe. However, a large quantity of shellfish and large fish are also getting caught and killed. There is a mountain of dead marine

life stacked in the ash dump. If we are unable to maintain a filtering screen, there is no point in talking about preventing pollution control.

The future of coal power in SL

There is no future for coal power in Sri Lanka. People who have seen the effects of Norochcolai power plant will not allow a power plant to be established in their areas. If the government tries to impose this project by force, it will lead to riots. The government will be forced to close the project after large financial losses and irreparable political damage.

Source: www.dailymirror.com, 09 July 2018

Evidence of Ancient Abrupt Climate Change Found in Arctic

A team of researchers from Scripps Institution of Oceanography at the University of California San Diego and Woods Hole Oceanographic Institution found evidence for a massive flood of fresh water in the western Arctic, thought to be the cause of an ancient cold snap that began around 13,000 years ago. The find could put to rest a question that has been open among scientists for more than 100 years. The existence of the cold snap, called the Younger Dryas, had been known for decades but the physical cause for its origin had eluded researchers who traveled to points throughout the Atlantic Ocean, the eastern United States, and Canada looking for it.

In 2013, Neal Driscoll from Scripps, Lloyd Keigwin from Woods Hole and colleagues set sail to the eastern Beaufort Sea in search of evidence for the flood offshore of the Mackenzie River, which forms the border between Canada's Yukon and Northwest territories. From aboard the U.S. Coast Guard Cutter *Healy*, the team gathered sediment cores bearing fossils of microscopic organisms known as foraminifera from along the continental slope north of the Mackenzie River. The researchers found a record of the event encased in seafloor sediment over 200 kilometers (~135 miles) from the mouth of the river. Preserved in the shells of foraminifera were isotopes of oxygen with a ratio that is consistent with a large incursion of glacially derived freshwater. "The signature of oxygen isotopes recorded in foraminifera shells preserved in the sediment allowed us to fingerprint the source of the glacial lake discharge down the Mackenzie River 13,000 years ago," said Driscoll, a geologist at Scripps and co-author of the National Science Foundation-funded study. "Radiocarbon dating on the shells provided the age constraints. How exciting when the pieces of a more than 100-year puzzle come together."

The abrupt climate change triggered by the freshwater inundation ended more than 2,000 years of warming, said Keigwin, an oceanographer at WHOI and lead author of the study, which appears online today in the journal *Nature Geoscience*. The Younger Dryas triggered dramatic changes to regional climates. The freshwater from glaciers made its way from the Arctic to the north Atlantic Ocean. There it disrupted a circulation pattern that stretches from Greenland to the Southern Ocean. That pattern, the Atlantic Meridional Overturning Circulation (AMOC), transports warm equatorial waters poleward and releases heat to the atmosphere. That disruption caused substantial cooling in Europe, The Younger Dryas in fact takes its name from a flower (*Dryas octopetala*) that flourished in the continent's cold conditions at the time.

The Younger Dryas lasted a mere 200 years making it only a short blip in a warming period that has lasted 20,000 years but to scientists like Driscoll, it's an important example of how feedbacks affect the climate system. Overall trends of warming or cooling on Earth are not linear but are punctuated by reversals and accelerations such as this one. Such events help scientists interpret current trends, distinguishing global climate signals from regional signals. Next steps in future research, Keigwin said, will be for scientists to answer remaining questions about the quantity of fresh water delivered to the North Atlantic preceding the Younger Dryas event and over how long of a period of time. "Events like this are really important, and we have to understand them better," added Keigwin. "In the long run, I think the findings from this paper will stimulate more research on how much fresh water is really necessary to cause a change in the system and weakening of the AMOC. It certainly calls further attention to the warming we're seeing in the Arctic today, and the accelerated melting of Greenland ice." Earlier this year, a paper by researchers at the University College London and WHOI found evidence that the AMOC has not been running at peak strength since the mid-1800s and is currently at its weakest point in the past 1,600 years. Continued weakening could disrupt weather patterns from the U.S. and Europe to the African Sahel. Besides Keigwin and Driscoll, co-authors of the paper include Ning Zhao and Liviu Giosan of WHOI, Shannon Klotsko of Scripps Oceanography, and Brendan Reilly of Oregon State University.

Source: scripps.ucsd.edu, 09 July 2018



In Trump's Trade War on China, The Winner will be whoever can stand to lose the most

- Wang Xiangwei

Back in March, US President Donald Trump boasted in a tweet: “When a country (USA) is losing many billions of dollars on trade with virtually every country it does business with, trade wars are good, and easy to win.” His bravado is being put to a true test. Last week, he escalated the trade war with China by beginning the process of imposing tariffs on a further US\$200 billion of imports from his principal target. This came after the US slapped 25 per cent tariffs on US\$34 billion in Chinese imports, forcing Beijing to respond in kind by imposing similar taxes on US\$34 billion in US products. Trump already threatened to impose tariffs on all US\$500 billion in Chinese imports, much more than China exported to the US last year – if Beijing would not bow to US demands. Responding to the latest threat, the Chinese commerce ministry expressed shock, condemned the irrational behaviour and vowed to take countermeasures.

As the latest development rattled the financial markets worldwide, the question is: how will the trade war end and will Trump's boast prove true? The answer is easy. No one wins a trade war, and this can be illustrated by an old Chinese saying that in a nasty war, one must prepare to lose 800 of their own to kill 1,000 of the enemy's men. The rub is which side would have better capacity and determination to stomach the dire consequences if the war continued to worsen. Following this logic, China is most likely to emerge as the stronger one, albeit battered, bruised and bloody. Up to now, many have seen Trump's threats as part of tactics to get other countries to accede to US demands and lower tariffs. But the problem is that almost none of the countries he has targeted, including strong allies such as Canada and the European Union, have shown any sign of backing down. As a result, Trump's latest threat to China is also meant to send a message to its European trading partners and other countries that US would not back away. Under such circumstances, China will be even more determined to fight the US on the trade front at any cost. Ultimately, for Trump – as a businessman who revels in his own business acumen and brinkmanship of bluff and bluster – he needs to measure his win by forcing others to give him what he wants: a better deal.

But for China, the fight is more political and less commercial. Chinese officials and analysts believe Trump's hidden agenda is not only to contain the rise of China but is also aimed at undermining President Xi Jinping's personal leadership following Beijing's decision to repeal term limits on the presidency, allowing Xi to rule as long as he likes. Despite the Western media's strong negative reactions to the constitutional change in March, the Chinese authorities have hardly slackened the pace to build a personality cult around Xi. Many Western and Chinese analysts have argued that China has fewer hands to fight the trade war at a time when the US economy is on an upwards trajectory and the Chinese economy is slowing down. A more pressing argument is that China will soon run out of imports from the US to tax given the massive disparity between each country's exports – which may force China to resort to other extreme measures to counter-attack. But analysts seem to have underestimated political will and significance the Chinese leaders have attached to the trade dispute. Capitulating to Trump's demands without a fight would have been a huge blow to Xi's authority.

Moreover, in a dictatorship such as China's, politics trumps commercial and business interests. Unlike Trump who has a hostile media, a divided Congress, and voters to answer for, Beijing has none of the constraints and can mobilise its massive political machine to mitigate and prepare for a protracted war.

In addition, perverse it may sound, this trade war also has its benefits. To certain extent, the trade frictions have come to a head after nearly 40 years of constrained strain and stress accumulated between the countries. A fight could help release the pent up tension and allow the both sides to find new and more comfortable footing, as illustrated by a Chinese saying "out of blows, friendship grows". Having said that, how leaders of both countries back down from the trade war and meet halfway will be an acute test of their political wisdom. Several important tests will come up in November to facilitate a truce – if the war has not already ended. First of all, the US midterm elections will mostly be held on November 6. Many have argued this is partly behind Trump's tough stance as he seeks to energise his base. Whatever the results, the post-election would provide an opportunity for a reset.

Secondly, China is preparing elaborate activities in November to commemorate the 40th anniversary of its opening up and reforms, where Xi is expected to expound his vision of further reforms and opening up as a global leader. A reset with US would help buttress his leadership. Two possible venues would also come up in November for both leaders to make peace. On November 18, the Asia-Pacific Economic Cooperation

forum will be held in Papua New Guinea, followed by a G20 summit in Buenos Aires between November 30 and December

Source: www.scmp.com, 14 July 2018

Pentagon: China Spying On Major U.S.-Led Military Exercises After Being Disinvited

The Pentagon is accusing China of spying on U.S.-led military exercises near Hawaii. Navy officials confirmed the U.S. Pacific Fleet is monitoring a Chinese surveillance ship, in a statement to CNN. It's located just outside of U.S. territorial seas. This comes after Beijing was disinvited from the exercises back in May, over its aggression in the South China Sea. U.S. officials say they expect the Chinese vessel to stay put and don't anticipate any disruption to the on-going exercises. The exercises are held every two years and feature around 25 thousand personnel from over 20 countries.

Source: www.oann.com, 14 July 2018

Chinese and Japanese Investment in ASEAN: From Competition to Cooperation?

- HONG ZHAO

Southeast Asian countries still face major challenges in regional market integration and connectivity development. ASEAN has come up with several initiatives in an attempt to close its development gaps. ASEAN's plans to strengthen connectivity through the development of a series of rail, road, and water links not only offer the possibility of investment contracts, but also the opportunity for the regional powers to shape Southeast Asian infrastructure in their favor. This has prompted and heightened competition between the two Asian giants of China and Japan, particularly in the areas of infrastructure financing and high-speed rail (HSR) construction. Japan began its large-scale investment in Southeast Asia since the late 1970s and had formulated and invested its vision for infrastructure connectivity across Southeast Asia in the 1990s. The basic idea of Japan's development of interconnectivity in Southeast Asia is to establish cross-regional and inter-regional interconnectivity and, especially with large urban agglomerations as nodes, to build economic corridors across different developing countries in the region, so as to promote ASEAN countries'

industrialization and regional integration. Japan regarded ASEAN as “a market where Japan can never lose and be behind.” After Japan was outbid for the Indonesian HSR project between Jakarta and Bandung in September 2015, the Japanese government was prompted to adjust its loan policies and promised to contribute “high quality” infrastructure development in the future. In February 2018, Prime Minister Shinzo Abe and his cabinet outlined Japan’s new aid strategy, pledging to employ Japan’s aid power for the realization of the “Free and Open Indo-Pacific Strategy” which was announced by Abe in August 2016 and which aimed to enhance connectivity through “high-quality” infrastructure and the implementation of maritime law enforcement.

China began to cultivate its economic ties with Southeast Asia much later than Japan. Its commitments to infrastructure development in Southeast Asia were seen in the early 2000s when Yunnan Province and Guangxi Zhuang Autonomous Region prioritized inter-regional physical transport connectivity with ASEAN countries and initiated the Gateway Strategy and the Pan-Beibu Gulf Economic Zone respectively. They aimed to strengthen their land connectivity with Southeast Asia through expressways and railways, as well as building bilateral maritime and air connectivity through port, harbor-related, and airport infrastructure cooperation.

China’s initiatives for building infrastructure connectivity in Southeast Asia gained momentum in 2013 when President Xi Jinping proposed the Belt and Road Initiative (BRI). This initiative has the strategic objective of advancing practical economic cooperation on infrastructure development and strengthening linkages with neighboring states by relying on the distinctive values and ideas of the ancient Silk Road. Beijing’s long-term goals for infrastructure building in Southeast Asia within the framework of the broader BRI include the ambitious plan to build a Pan-Asia Railway Network that will see three 4,500-5,500 km railway lines linking China and Southeast Asia. Central, eastern and western routes of this planned railway network will run from Kunming through Laos, Thailand, Myanmar, Malaysia and Singapore. The China-ASEAN transport cooperation plan paved the way for the International Transport Corridor between China and Southeast Asian countries. More importantly, the Sino-Laos and Sino-Thailand railways will form a vast railway network connecting local areas, and that is a salient feature which neither Japan nor other countries can match. While Chinese investment in the ten ASEAN countries is well behind Japan and even the US, it will only increase further as the implementation of China’s BRI goes on and policy coordination is strengthened between China and ASEAN. If we look at the respective Chinese and Japanese plans to develop railway networks in Southeast Asia, we find the two countries have different ideas and strategic considerations. Japan mainly focuses on building East-West lines, intending to synergize with several Japan-

involved East-West Economic Corridors that would connect Myanmar, Thailand, Laos and Vietnam, and aiming to help Japanese companies expand business and optimize the production networks within and outside the ASEAN region through infrastructure connectivity.

In contrast, Beijing's long-term goals for infrastructure development in Southeast Asia within the framework of the broader BRI is to build a North-South Pan-Asia Railway Network, intending to synergize with the proposed Kuala Lumpur-Singapore HSR and improve its access to Southeast Asia and beyond. That said, Sino-Japanese infrastructure investment activities in Southeast Asia are not largely influenced by their geo-political rivalry. Their respective investment activities rest on solid market expansion considerations.

For Japan, the government explicitly located the export of infrastructure systems (including HSRs) as a key to revitalize its long-stagnated economy and foster new sources of economic growth. The infrastructure business was regarded as a business that extended from manufacturing to services and was a main item for obtaining the global market. The Abe government thus was determined to strengthen sales of Japanese infrastructure products through private investment. For China, its infrastructure projects in the region carry some political considerations (mostly through the BRI and the AIIB), but they rest more on economic interests. One of the major objectives of China's BRI is to reduce disparities in China by stimulating growth in the country's underdeveloped hinterland. It seeks to accelerate the development of the western region through accommodating and synergizing with the development strategies of neighboring countries, with approaches including creating new corridors for international economic cooperation, putting into place a smooth and efficient regional thoroughfare. In this sense, Japan and China have common goals and economic interests in Southeast Asia, and such competition is generally good for the overall development in Southeast Asia. For ASEAN countries, both China and Japan are important sources of investment, important markets and key trade partners. In 2015, Japanese and Chinese FDI inflows to ASEAN reached USD 17.3 billion and USD 8.1 billion respectively, accounting for 21.3 percent of the total FDI inflows (USD 119.9 billion), according to the 2016 ASEAN foreign direct investment statistics database. Both China and Japan have been able to mobilize their financial and construction capability to finance infrastructure projects in Southeast Asia. So, in order to avoid overdue competition between the two big powers, both China and Japan need to consider possible harmonization with each other's policies and find a proper approach. Regional connectivity is the long-term goal of the ASEAN Community, and ASEAN has its own agenda, including ASEAN Integration Work Plan and the Master Plan on

ASEAN Connectivity 2025. It is possible that other powers' investments may not be consistent with ASEAN's agenda and initial intentions.

For example, as China's investment in some individual countries increases, there are growing concerns that "the new infrastructural connections — which would tie Southeast Asia nations individually to China, rather than connecting China with ASEAN as a whole—would pose a threat to ASEAN connectivity, a key principle in the strength of the organization." Furthermore, as the Japanese and Chinese HSR systems use different types of construction, it is possible that railway networks could be incompatible if various countries across the region choose to adopt different systems and technologies.

Therefore, an effective mechanism for coordination and dialogue on the regional connectivity between ASEAN, China and Japan is needed. More importantly, such multilateral collaboration would foster trust between China and Japan and enhance the effectiveness of their infrastructure development efforts from a broader regional perspective than through the narrow lens of national interests.

Source: www.ippreview.com, 16 July 2018

Remaining True to our Mission

-Rodger Baker

At Stratfor, we pride ourselves on our constant vigilance to avoid partisanship in our analysis. We may not always be entirely successful, but we have, from the founding of the company, established, maintained and refined systems and procedures to help recognize both conscious and unconscious bias in ourselves and to counter that bias in our analysis. At times, perhaps, the drive for nonpartisanship may compromise our willingness to address certain issues, particularly those related to the personalities of leaders. But while our job is not to judge the actors, nor assert that we know better how they should do their jobs, it is our job to understand, explain and forecast the future direction of the world.

This is not always easy. Analysts (myself among them) can lose sight of their role as observers and slip at times unknowingly into the role of pundits, armchair generals and Monday-morning quarterbacks. This is in part because, to understand and forecast, we must run through the chains of logic, the compulsions, constraints and circumstances as we understand them, and then place ourselves in the roles of the

decision-makers to assess what their likely action is, then step back and assess the likely consequence. This is the nature of forecasting.

While many of our staff are from the United States, and we are a U.S.-based company, our employees come from different ethnic and national backgrounds, different political and social backgrounds, and different religious and educational backgrounds. Many come from and live in other countries. This is intentional. It is one of the tools used to identify bias and thus counter it. There are few issues in the world that do not raise some personal interest in at least one member of our staff, whether it be the logic of Brexit, U.S. immigration policy or Chinese-Indian competition in Bhutan and Nepal. So we are no stranger to trying to separate personal interests and ideals from nonpartisan analysis, even when it comes to the more difficult task of separating these right here at home in the United States.

We have had to be particularly sensitive to biases surrounding the current state of U.S. politics, not because an outsider won or an establishment candidate lost, but more directly because of the intentionally unconventional nature of President Donald Trump, the extremely polarized national and international dialogue surrounding the president, and his intentional use of the media, Twitter and public appearances to engender chaos in the public discourse. Trump's ability to create controversy through his statements is an intentional element of his strategy as president, as it was during his campaign. This is neither criticism nor praise of the president or his methods, but rather an observation based on both the past two years, and his previous business experience. It is not bias; it is analysis.

While much of the current political discourse now appears to assert that any critical observation or analysis is biased against the president, and any explanation of logic or behavior is biased in support, that is a false dichotomy. If we at Stratfor were to assert that Syrian President Bashar al Assad were unlikely to be forced from office, after looking at the balance of state, state-backed and non-state forces in Syria and the current international climate, that contention would be neither a sign of support for al Assad nor a condemnation of U.S. policies in Syria, but rather an analysis of the situation. If we argue that there are serious challenges to the continuity of British Prime Minister Theresa May's government because of the handling of the Brexit deal with the European Union, that Chancellor Angela Merkel of Germany is going to face political challenges from shifts to immigration policies or that the European Union is facing fragmentation of its ideals if not its physicality, that argument is neither support for nor condemnation of the individual leaders; nor is it a desire to see the European Union dissolve or a wish for it to remain unified and strong.

If we are to remain true to our mission of understanding, explaining and forecasting the world, we cannot let perceptions restrict our coverage of the current U.S. president. It is not biased to assert that, whatever his methods, Trump is touching on many issues that have a long-standing position in U.S. policy, or that his actions are predicated on few good choices. Trump's haranguing of NATO and other U.S. defense allies to take more active responsibility — to put more "skin in the game" — is a continuation of similar requests and demands by past presidents, and it is a reflection of real changes in defense capability and commitment during the post-Cold War years. Trump's targeting of the international trading system, and China, in particular, is also well within the normal concerns facing a U.S. president, even if his method — tariffs — is outside the political norm.

The president's decision to meet with North Korean leader Kim Jong Un may be out of the political norm, but the options — accepting a nuclear-armed North Korea or starting a war that would likely draw in all of the nearby countries — make a meeting seem like the least bad alternative of a poor set of choices. Trump's decision to meet with Russian President Vladimir Putin, despite the indictment of a dozen Russians for hacking during the U.S. election, is also understandable. Throughout the Cold War, the United States still maintained diplomatic ties with Russia, and were the president to label Russia an enemy of the United States, as some are arguing, there are subsequent consequences to that decision if the name-calling is to have any credibility.

Although his methods are unconventional and at times likely counterproductive, there are many things that Trump addresses that still fit within the logic of the world that this president finds himself in. His insistence on working outside the establishment, domestic or international, looks like it will ultimately limit the chances of success for his agenda, but that view is an analysis of the reality of the systems, not a critique of his intent or intelligence. There are times when the president is counterproductive to his own agenda, and the implication is continued gridlock and delay. But there are times when his actions may have longer-lasting consequences and clearly fall outside the spectrum of national interests, however defined.

Trump's news conference with Putin is likely one of these times. There was every logic to meet with Putin given the myriad areas where U.S. and Russian interests and actions collide or potentially conflate — from the status of conflict and competition in the Middle East to the frontiers of Europe to North Korea, from global energy supplies to the balance of nuclear arms. If the United States is serious in assessing China as the most significant rising peer competitor and sees Russia as currently aggressive but facing significant internal challenges that weaken it down the road, there would even

be logic to attempt to ease relations with Russia as a counterbalance to China's westward expansion. It could make sense to exploit Russia's interests in Central Asia and its underlying fear of a powerful China on its borders to try and pull a reverse Nixon and gain the tacit assistance of Russia in constraining China.

But the president's use of the news conference to defend his election and to suggest that he takes Putin's word over that of his own intelligence and law enforcement agencies is likely more than a mere counterproductive moment, and more than a moment of personal self-interest and ego reinforcement. Real consequences may come from it, not least of which will be challenges from Congress, by both the Democrats and Republicans, to any broader strategic arrangements that the president could have pursued with Russia. Despite the power of the presidency and the near abdication of congressional authority over the past few decades, Congress remains a critical component of the U.S. system. Through its budgetary control, it can render most presidential initiatives moot, if it so chooses.

One can question the logic of calling Russia an enemy, but it is hard to justify anything outside of personal self-interest for the intentional degradation of the U.S. intelligence and law enforcement community abroad merely to assert again that his election was his own and not due to outside forces. There are times for major shake-ups in U.S. intelligence, particularly after critical failures of the system. But even when necessary, these reorganizations have real world impacts on the United States' ability to collect intelligence on potential challengers to the nation and its interests, and they can disrupt or derail U.S. countermoves. The disruptions and lack of trust can also create additional friction between the intelligence community and the administration that can delay or undermine administration policy initiatives. How does an administration shape a trade policy around national security imperatives if it is also at war with its own national security apparatus?

The critique and identification of implications is not a reflection of anti-Trump bias, nor an assertion that the president is stupid or a tool of foreign powers. It is a recognition of certain aspects of Trump's personality that impact his policies and their likely success or failure. This is no different from recognizing the personality aspects of past presidents and understanding their implications. President Barack Obama centralized strategic planning, at times spent too much time on deliberation and pursued a liberal agenda that exceeded the willing pace of much of the country and raised concerns about American reliability abroad. In part, his decisions were shaped by the global realities within which he found himself; in part, they were shaped by his character. President George W. Bush was perhaps overreliant on his advisers to begin

with, and his moments of decisiveness after the Sept. 11, 2001, attacks later left him perceived as a caricature of a cowboy president bent on military action with little thought to the endgame.

Every president is a reflection of his times, constrained and shaped by actions far beyond his control, but also shaped by his character and personality. In the broad sweep of history, geopolitical analysis may downplay the personalities and emphasize the deeper forces at work, but in the day-to-day intelligence, personalities and individuals do matter, particularly the leaders of nations. They operate within certain constraints, they are pushed by certain compulsions, but their way of dealing with these issues ultimately reflects the individual's choice, even if from a very limited number of options.

And every president is driven at least in part by ego and self-interest, by the desire to accomplish what others could not or did not, by the desire for re-election and by the perceived need to do what is politically expedient. But when choices based on self-interest lead to actions that run counter to the exigencies of the nation, there are consequences to those decisions. Recognizing and identifying the implications of those choices is one of the jobs of geopolitical intelligence analysts like those at Stratfor. It is not political bias. It is the nature of the job.

Source: worldview.stratfor.com, 16 July 2018

How India can benefit from Trump's trade war on China

-Minhaz Merchant

China and the United States are embroiled in a trade war that will shape the geopolitics of the world deep into the twenty-first century. The issue between Washington and Beijing isn't just China's \$350 billion (over Rs 24 lakh crore) trade surplus with the US. It is about future global economic supremacy.

Iranian crude

China is a unique global power. It has built its own ecosystem and barred virtually all Western influence. It restricts the operation of foreign companies. It tightly controls the banking sector and stock market. It bans Google, Facebook, YouTube, Instagram and Twitter. That has helped local social media sites like WeChat and Weibo become

domestic giants. Chinese e-commerce platforms like Alibaba have a market value of \$500 billion – within striking range of the market value of Apple and Amazon. The rise of China has been astonishing. It has in less than 20 years built the world's fastest supercomputers, world-class universities and outstanding infrastructure. China's defence budget is the world's second-largest. Its navy is positioned to challenge the US navy not only in the South China Sea but in the entire arc between the Indian and Pacific Oceans.

China, like the US during its expansionary phase in the twentieth century, is a predatory power. The US invaded other countries at will, imposed wars on them and ran the world's economy through the World Bank and the International Monetary Fund. It used the United Nations to legitimise harsh economic sanctions on countries it saw as a threat to its hegemonic world order. China fully expects to construct a China-led world order by 2049, the 100th anniversary of the formal establishment of the People's Republic of China (PRC). By launching a trade war on China, US President Donald Trump though has signalled America's intent: the US can impose tariffs on Chinese exports worth \$500 billion.

In retaliation, China can impose tariffs on US exports worth only \$137 billion given the trade imbalance between the two countries. It is estimated that the trade battle will shave one per cent off China's export-led GDP in 2018-19. American GDP is estimated to fall by only 0.2 per cent. India has stayed largely out of the way of the battle between two countries with which it has a set of multi-dimensional relationships. Iran, not trade, is a deal-breaker with the US. Trump is obsessively anti-Iran. By November 2018, India will need to cut to near-zero its oil imports from Iran or risk certain US sanctions on Indian oil companies.

While Iranian crude can be replaced with Saudi and UAE crude, Chabahar port in southern Iran that India is developing as a counter to China's Gwadar port in Balochistan, could be a victim of US-Iran tensions.

Quick escape

Over the next few days Trump will scythe his way through meetings at NATO headquarters in Brussels, in Brexit-torn Britain and a much-anticipated quasi-summit with Russian President Vladimir Putin in Helsinki. In Brussels, on July 11-12, Trump will hector his NATO allies to take out their cheque books and spend at least 2 per cent of their GDP on defence.

In Britain, he will spend barely 30 hours on July 12-13 to lecture British Prime Minister Theresa May on post-Brexit Britain and meet Queen Elizabeth II at Windsor Castle. Trump will make a quick escape from the stiff formality of royalty for a weekend of golf at his own golf resort in Scotland before flying to Helsinki for the pivotal meeting with Putin on July 16. President Xi Jinping will be watching all this carefully. He thought he had charmed Trump into being a friendly collaborator in China's rise when he was lavishly hosted by the US president at his Mar-a-Lago retreat in Florida last year. That hope has been dashed by the unprecedented trade war Trump has unleashed on China. Beijing denounced it as "the largest trade war in economic history".

Utilising chances

India's strategic thinkers have traditionally been slow to utilise opportunities geoeconomic events throw up. One reason why China has adopted a softer line with India in recent months over the disputed border along the line of actual control (LAC) is to wean India out of America's orbit of influence. Though India's economy is one-fifth of China's and one-tenth of America's, both countries know that 20 years from now India will form the third pivot in great power relations. Britain is a spent force. The European Union is toothless. Russia is ageing. In less than 10 years India will overtake China as the world's most populous nation. Its GDP will still be significantly smaller than China's and America's but larger than Japan's and Germany's as it emerges as the world's third-largest economy. Without strategic planning, India will stumble into the status of a swing global power within a generation. As the China-US trade war escalates, India must rethink its long-term strategy with both superpowers. US-China relations are moving into a long-term mode of confrontation.

India must be quietly assertive across a range of issues. With the US, concede on Iran but stay firm on defence ties with Russia over the S-400 missile defence system. With China, downplay differences over the Dalai Lama and Taiwan but double down on Beijing's unprincipled support of Pakistani terrorists like Masood Azhar. While Beijing and Washington contest the future, India must use this window of opportunity to create its own global nous.

Source: www.dailyo.in, 13 July 2018