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Meeting the China Challenge



June 2020

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The “Five Eyes” and Managing Strategic Dependency on China

05/26/2020

Our colleague John Blackburn has highlighted the publication of a new report published by the Henry Jackson Society, based in London.

A new report by a UK Think Tank, the Henry Jackson Society, addresses the supply chain dependence on China by the “Five-Eye” powers.

Of the five powers, Australia is strategically dependent on China for the largest number of imports.

Within goods that service the “Critical 11”, we are strategically dependent on 41 categories and 11 sectors which no other member of the five powers are.

Case studies in the report include pharmaceuticals, energy systems, information technology, as well as food and agriculture.

Andrew Hastie, a contributor to the report, notes that “Our strategic dependency on critical imports makes us vulnerable to not only economic coercion, but also supply chain warfare.

To mitigate this risk, the Australian government should initiate a review of all trade-exposed products, industries and sectors in the economy.”

[Our Institute](#) recently suggested to a Joint Parliamentary Committee that we pursue a Smart Sovereignty and Trusted Supply Chain model.

We maintain that this is not just an issue related to our dependencies on China, but rather a need to review all of our supply chain dependencies.

Our supply chain resilience is poor.

The Executive Summary to the report highlights the challenges:

Since the end of the Cold War, the United Kingdom (UK), United States (US), Australia, Canada and New Zealand – the five powers commonly known in intelligence circles as the “Five Eyes” – have been among the leading advocates of “hyper-globalisation”, the idea that markets should prevail over almost all other considerations. China has benefited disproportionately from this form of globalisation, leading to a fundamental transformation in its economic and industrial fortunes over the past two decades.

Although already well-established in the US, the idea of “decoupling”, particularly from China’s economy, has gained currency with the COVID-19 crisis. The inability to produce and source Personal Protective Equipment via globalised supply chains has reminded democratic governments and peoples that it is necessary to be able to produce strategic commodities, just as China’s actions and behaviour have reminded them of the authoritarian nature of the Chinese Communist Party (CCP).

Under Xi Jinping’s leadership, the CCP has already used China’s economic power as a geostrategic weapon to revise the rules-based international system. Now vulnerable to rising domestic and international criticism over its handling of the COVID-19 outbreak, the CCP has adopted a policy of aggressive defence, to the extent that it is exploiting accumulated economic dependencies for political gain. While the rest of the world remains focused on combatting COVID-19, China is pushing forward with strategic campaigns to dominate all major sectors of global trade, and by degrees to take over control of international market standards.

For the full report, see the following:

<https://henryjacksonsociety.org/publications/breaking-the-china-supply-chain-how-the-five-eyes-can-decouple-from-strategic-dependency/>

Reshaping China Strategy: Reconsidering the Role and Place of the Military Dimension

04/14/2020

By Robbin Laird

The Coronavirus crisis and its management by the liberal democracies is clearly an inflection point. Moving forward choices will be made shaping the decade ahead in terms of basic national strategies as well as with allies.

A key aspect of shaping a way ahead clearly will be how to deal with the 21st century authoritarian powers. There is little doubt that the crisis has highlighted what was in plain sight prior to the crisis, namely, the challenge of supply chain security. This is notable in a number of areas, but probably nowhere more so than in dependence on China with regard to medical production and supplies.

A key part of the reshaping of strategy towards China going forward will clearly revolve around the question of supply chain security, and how to reshape how the liberal democracies deal with this challenge.

It is within this context of shaping a new strategy towards China that any U.S. or allied military strategy towards China will need to be placed. The last thing we need is a cacophonous single service set of strategies to warfighting in the Pacific which do not fit into a national strategy towards China overall.

For example, we learn that the [U.S. Army](#) is developing a very long-range canon.

The U.S. Army is pushing ahead with plans to field a cannon with an astounding 1,000-mile+ range. The cannon, along with hypersonic weapons, will allow the service to attack long range, strategic-level targets far beyond the reach of existing Army systems.

According to Defense News, the Army's program manager for long range fires, Col. John Rafferty, the service expects the gun to have a range of 1,000 nautical miles—or 1,150 statute miles. The technology behind the cannon is described as “cutting edge” that's so advanced that the service is not sure if the gun would be affordable.

This may or may not be a good idea, but where does this fit into a warfighting joint and coalition strategy in the Pacific?

To get a sense of how, we might shape a military strategy that fits into the evolving strategic context I talked with nuclear arms expert Paul Bracken of Yale University.

For one aspect which seems often to be neglected is that China is a nuclear power and like all nuclear powers, adversarial warfighting strategies which highlight operations deep within the close in periphery of a counter tend not to be considered in conventional military terms alone.

Question: How would you characterize the Chinese situation?

Paul Bracken: A number of leading scholars on China underscored that China was facing a real economic crisis prior to any U.S. backlash against it. Their point was that China could not continue to grow from 2015 onward, simply by doing more of what it was doing.

The global economy was becoming much too complex for Chinese economic mass mobilization manufacturing strategies to work going forward.

In other words, China was facing a branch point.

What would they do?

Then with the U.S. backlash against China, the branch point changed as well. The branch point, plus the U.S. and broader allied reactions to China are going to force Beijing to rethink what they're doing.

They can't simply do more of the same.

This is the reason China faces complex new challenges which are unprecedented.

Question: With regard to the military side of the equation, where might we start?

Paul Bracken: China is a major nuclear power.

And they are one which has missiles of various ranges within the Pacific region.

What they have done far exceeds what the Soviet Union had against NATO Europe during the Cold War.

With the end of the INF treaty, an end driven in part by Chinese missiles which would have been excluded by an INF treaty if they had been party to it, Beijing's long-range missile threat needs to become a focus of attention, and not just by counter military responses.

This raises the question of the possibility of having at least three power nuclear talks (US, Russia, China) to provide both public diplomacy and cross-government considerations of how to manage the missile challenge. Obviously, such an approach is challenging but certainly has its advantages of finding a place to discuss ways to crisis manage as well.

Moreover, China would like to constrain U.S. nuclear modernization, and for this they simply cannot ignore arms control.

Question: This does raise the question of how to craft an effective and realistic military strategy towards China, with recognition of the nuclear reality of any confrontation in the Pacific.

You and I both entered our professional lives and worked with military and political leaders who understood that large scale conventional operations always contained within them the possibility and in some cases the probability of the triggering of nuclear use.

I simply do not see this with the generation of leaders who have lived through the land wars as their existential reality.

Do you?

Paul Bracken: Nuclear war as a subject has been put into a small, separate box from conventional war.

It is treated as a problem of two missile farms attacking each other.

This perspective overlooks most of the important nuclear issues of our day, and how nuclear arms were really used in the Cold War.

It should be remembered that China is the only major power born in a nuclear context. The coming to power of the Communists in China was AFTER the dawn of the nuclear age. And Beijing learned early on the hard realities of a nuclear world. Soviet treatment of Beijing in the Taiwan Straits crises and in the Korean War with regard to nuclear weapons, taught China the bitter lesson that they were on their own.

This led directly to China's bomb program.

China is also the only major power surrounded by five nuclear states. It's true that two of these states are, technically speaking, allies (Pakistan and North Korea).

But there can be little doubt that both target China with atomic weapons.

More, at senior levels of the Chinese government they understand that their “allies” are a lot more dangerous than China’s enemies.

When discussing defense strategies, it is crucial to understand the nature of escalation. One of the fundamental distinctions long since forgotten by today’s military leaders and in academic studies is the zone of the interior, or ZI.

As soon as you hit a target inside the sovereign territory of another country, you are in a different world.

From an escalation point of view striking the ZI of an adversary who is a nuclear, crosses a major escalation threshold.

And there is the broader question of how we are going to manage escalation in a world in which we are pushing forward a greater role for autonomous systems with AI, deeply learning, etc.

Will clashes among platforms being driven by autonomous systems lead to crises which can get out of control?

We need a military strategy that includes thinking through how to go on alert safely in the various danger zones.

Question: This raises a major question for strategy: How to manage military engagements or interactions in the Pacific without spinning crises out of control.

How does the nuclear factor weigh in?

Paul Bracken: The first thing is to realize it is woven into the entire fabric of a Pacific strategy. You don’t have to fire a nuclear weapon to use it.

The existence of nuclear weapons, by itself, profoundly shapes conventional options.

The nuclear dimension changes the definition of what a reasonable war plan is for the U.S. military.

And a reasonable war plan can be defined as follows: when you brief it to the president, he doesn’t throw you out of the office, because you’re triggering World War III.

Deterring China: The Australian Case

04/01/2020

By Paul Dibb

Two important military developments recently should give China pause for thought.

The first one is the announcement by Prime Minister Scott Morrison of a \$1.1 billion upgrade to the Royal Australian Air Force base at Tindal, which is about 300 kilometres south of Darwin, to lengthen the runway so that US B-52 strategic bombers as well as our own KC-30 air-to-air refuelling aircraft can operate from there.

The second development is the announcement by the US State Department that Australia has been cleared, at a cost of about \$1.4 billion, to purchase 200 AGM-158C long-range anti-ship missiles (LRASM), which can be fired from our F/A-18 Super Hornets and the F-35s when they are delivered.

The significance of these two developments occurring at the same time should not be underestimated and certainly not in Beijing.

Morrison described the upgrades to Tindal as being ‘the sharp end of the spear’ for Australian and US air operations in the Indo-Pacific.

As ASPI’s Peter Jennings [observed](#), the decision to expand the Tindal airbase is a giant strategic step forward and could be the basis for a greater leadership role for Australia in the region.

When the upgrade, including major runway extensions, fuel stockpiles and engineering support, is completed, Tindal will be the most potent military base south of Guam. And—for the time being at least—it is beyond the reach of Chinese conventional ballistic missiles.

The LRASMs will give Australia a highly capable stand-off anti-ship strike capability with much longer range than we’ve had before. Unclassified sources state that this missile has a range of at least 500–600 kilometres. It can conduct autonomous targeting, relying on on-board targeting systems to acquire the target without the presence of prior, precision intelligence or supporting data services like GPS.

It’s claimed that these capabilities will enable positive target identification and target acquisition and engagement of moving ships in extremely hostile environments. The missile is designed with countermeasures to evade active defence systems. Apparently, multiple missiles can work together to share data to coordinate and attack in a swarm.

The LRASM is also capable of hitting land targets. Its own data link allows other military assets to feed the missile a real-time electronic picture of the battlespace.

This missile only achieved operational capability with US Super Hornets in November last year. Its confirmation for sale to Australia so quickly reflects the closeness of the alliance.

This is a major new strike-deterrent acquisition for Australia.

It reflects the concerns of the defence force about Australia's strike capabilities since the retirement of the F-111 in 2010 and the fact that it takes time for the navy's Collins-class submarines to transit to Southeast Asian or South Pacific waters.

We are now in an era in which China is contesting our strategic space in the 'inner arc' stretching from the Indonesian archipelago and Papua New Guinea down to Solomon Islands and Vanuatu (the latter of which are about 2,000 kilometres from our east coast military bases).

For the first time since World War II, a major power is deploying military capabilities which could do us harm in our region of primary strategic concern.

In that sense, we are now in a period of defence warning time because a change of intention is all that a potential adversary would need to do to transform a presence into a direct military threat.

It is therefore important that we have the capability to push back against those who would use their increasing military power to restrict our strategic space and coerce us.

In the coming years we will need to consider acquiring weapons systems with even longer range.

The US is developing a ground-launched version of the latest Tomahawk maritime strike missile, a boost glide anti-ship missile, a hypersonic cruise missile and potentially a Pershing III anti-ship intermediate-range ballistic missile.

These could have ranges of around 1,000 kilometres to more than 3,000 kilometres. These sorts of weapons would enable Australia to strike at targets well into the South China Sea and the South Pacific.

Some previous RAAF chiefs have been strong proponents of acquiring Northrop Grumman's B-21 Raider long-range strategic stealth bomber.

The project is still in the development stage, but the planes have an estimated cost of around US\$550 million each and their maintenance costs will be huge.

It would probably be cheaper and more cost-effective if Australia focused on long-range, land-based anti-ship missiles.

Taken together, then, the upgrading of Tindal and the acquisition of LRASMs reinforce the U.S. alliance and foreshadow a significantly more potent Australian deterrent capability to assert control over our own region of primary strategic concern.

Paul Dibb is professor of strategic studies at the Australian National University.

This article was published by ASPI on [March 12, 2020](#).

Anastasia Lin at the Oxford Union Society: China is Already Engaging in a Cold War With the West

05/28/2020

MLI's Ambassador on Canada-China Policy, Anastasia Lin, delivered a speech before the Oxford Union Society on April 8, 2020 as part of a debate on the following motion: "This House Would Start A New Cold War With China."

As Lin points out in her remarks, the question is inherently flawed.

She argues that China is already engaged in adversarial, aggressive behaviour; authorities in Beijing are already on a Cold War footing. Lin warns that it is time for the world to come to terms with the true nature of the Chinese Communist Party and respond accordingly.

The text of her remarks follows:

Thank you for inviting me to participate in this important debate.

I am speaking for the motion that This House will support a cold war with communist China. Not with China itself—I love China, and I love my people.

When I moved to Canada when I was 13, I continue to explore my Chinese cultural heritage—its great literature, art, and philosophy.

These traditions do not set China in opposition to Western values. It is entirely possible for a strong and prosperous China to coexist peacefully with the West. Look at Taiwan. Or look to history. For centuries, China embraced a Confucian outlook, and was a mostly inward-oriented, peaceful empire. In the 19th century, the colonial powers of the West, along with Japan and Russia, posed a major threat to China—not the other way around.

But China today is different. We are now dealing with a one-party authoritarian, mercantilist state that is openly hostile to Western values and international rules. In considering the threat of Chinese communism, we could explore many angles:

We could talk about China's economic warfare—its state-sponsored intellectual property theft, its industrial subsidies to kill off foreign competition, its exploitation of the World Trade Organization.

We could talk about China's cyberwarfare capabilities—its hacking of the West's critical infrastructure and governmental databases, and its plans to dominate 5G networks.

We could talk about China's actions in the South China Sea, where its aggression in international waters is a threat to trade, peace, and the legal order.

We could talk about China's support for North Korea and Iran; or its hijacking of the U.N. Human Rights Council; or its aid to undemocratic and kleptocratic governments in Africa; or its surveillance technology that helps dictatorships crack down on dissent.

We could talk about how its lax regulatory system allows dangerous exports to come to our shores. Or about how China's control of information endangers global health, as it is doing now in the Coronavirus outbreak.

Or I could tell you—from personal experience—how the Chinese government targets the families of political opponents abroad. In 2015, I was crowned Miss World Canada. Because I used that platform to speak out for human rights, Chinese security agents threatened my father, dismantled his business, and confiscated his passport, along with those of my grandparents.

I could go on—but instead, I am going to take a novel approach by asking: How does China see us? Does the Chinese Communist Party consider itself to be in a Cold War with the West?

As a child in China, I remember being indoctrinated with propaganda about “hostile foreign forces.” We were told repeatedly about how Western powers subjugated and humiliated China in the 19th century—and these old grievances were kept alive. Over and over we heard that the West continues to try to undermine, isolate, and destabilize China.

Any expressions of discontent within China—including protests by Tibetan Buddhists, Falun Gong practitioners and democracy activists—were attributed to the black hand of anti-China forces from the West. Chinese human-rights lawyers were called agents of hostile foreign powers. The pattern continues today, as the Chinese government claims the West is behind pro-democracy protests in Hong Kong and the Taiwanese independence movement. Essentially, all domestic problems are blamed on the enemies in the West.

Now, let's look at some recent developments and what they tell us about China's strategy.

Effective in 2017, China enacted a law banning foreign NGOs from operating in the country unless they submit to government control. Even environmental and women's health groups must have their annual plans approved by the police. The government claims this is necessary to ensure the NGOs don't destabilize China.

Why would the Chinese government worry that NGOs would subvert the country? Perhaps because Chinese government-controlled groups do exactly this in our countries.

Beijing backs numerous front organizations and civil-society groups in Western societies, including Chinese student and professional associations. These groups act as extensions of the state and party apparatus. They are mobilized to influence the outcome of local elections and influence government policy in the West. These groups are controlled and financed by the Chinese government through the United Front Work Department and the Office of Overseas Chinese Affairs, but these connections are concealed from the public.

The program for indoctrinating students with “correct” views has also become more aggressive. In 2016 China banned discussion of “Western values” and “universal human rights” in school textbooks or curriculums. Marxism is the only “Western” philosophy that is permitted. Discussions of “democracy” and “the rule of law” are also forbidden. That was a clear signal that the Communist Party sees Western values and principles as a threat to its ideology.

While the government keeps Western ideas out of China’s classrooms, universities in the West have ceded control to of their own programs and curriculums to the Chinese government via “Confucius Institutes.” Confucius Institutes present themselves as nonprofit Chinese-language programs. They are controlled directly by the Communist Party, including its Propaganda Ministry. Senior Chinese officials describe the institutes as an important part of China’s overseas propaganda efforts. The Communist Party controls the staff and the curriculum. Yet these institutes are embedded in hundreds of universities worldwide. What does that do to academic freedom and free expression at our universities?

The story is similar in the media and entertainment industries. China obsessively censors the Internet. All major news outlets are state-run. China only allows a small number of carefully screened foreign films to be shown in the country. Even children’s animated movies like “Zootopia” are attacked as Western propaganda.

In the West, the situation is vastly different. The New York Times, Washington Post, Wall Street Journal, and the Telegraph run paid news supplements from China Daily, a Communist Party mouthpiece. Companies with deep ties to the Communist Party are now buying or entering lucrative joint ventures with the major Hollywood studios, creating strong financial incentives for self-censorship. Chinese companies already own some of the biggest movie theatre chains in Europe and in America, potentially controlling which movies can be seen in the West. It is unlikely that we will ever see a Hollywood film about the Cultural Revolution, the Tiananmen Square massacre, or the oppression of Tibetans, Uyghurs or Falun Gong practitioners.

Now, some might argue that our open and democratic systems are stronger and more resilient than China’s brittle authoritarianism. The Communist Party might see Western values as a threat, but we don’t need to consider them in the same way.

I wish that were true, but it isn’t. Lured by self-interest, our institutions have proved all too willing to disregard free speech and human rights.

Our values are being corrupted, our way of life conceded—and our physical health is compromised.

The coronavirus outbreak is a frightening example of why we should see Communist China as a threat.

The first case was discovered in Wuhan on December 1st. Local Communist officials responded by trying to suppress news of the disease. They arrested 8 doctors for—quote—“spreading rumors and destabilizing society.” On January 18, the local government hosted 120,000 people to a public Chinese New Year party, which inevitably increased the spread of the virus.

It’s reminiscent of what happened in Chernobyl. The Soviets didn’t even admit the nuclear accident until Sweden detected the fallout and threatened to report it to the International Atomic Energy Agency. Chinese officials suppressed news of the coronavirus until an overseas case was reported, in Thailand.

One may ask, why would officials take the risk? Because the Communist mentality is that as long as the truth is not told, the truth doesn't exist. They're willing to gamble with human life for the sake of a cover-up. This mentality is the same from the smallest town government to the highest levels in Beijing. The sole purpose of the Communist Party is to stay in power, no matter the cost in human lives.

Western media continue to report the official Chinese death toll, but we can't trust it. Many courageous medical personnel in Wuhan are risking their lives to tell the truth on social media about the scale of the outbreak. They report that the hospitals are full. Doctors and nurses are infected. People are being turned away to self-quarantine, and many are dying at home. The Communist Party decides how many test kits to give out each day, and that's the "new cases" number.

I want to close by reminding you that a cold war with China's government is not a war against the people, to confront a regime that brought turmoil and suffering onto the ancient land for decades. I also want to leave you with this question: If the Chinese Communist Party does not treat its own citizens with the slightest respect, why should we, in the west, expect ourselves to be treated any differently?

Anastasia Lin is an actor, human rights activist and former Miss World Canada. She is the ambassador on Canada-China Policy for the Macdonald-Laurier Institute and a senior fellow at the Raoul Wallenberg Centre for Human Rights.

The China Challenge: Evolving Australian Perceptions

05/21/2020

By Graeme Dobell

Cascading wake-up moments have shaken Australia's view of China over the past five years.

The realisations—a succession of gee-whizz, crikey and oops events—have pushed Canberra to new places.

The impact doesn't amount to shock; this is China, after all. But it has caused shifts. And shifts have cumulative effects.

Shakes shove at policy and politicians. Moods and modes move, overturning the bureaucratic evolution of policy as predictable layering on the existing base.

Crikey moments have taken the comfort out of China policy. The incremental approach suffers gee-whizz gyrations. We've just had four weeks of wobbles.

Australia's call for an international inquiry on the origins and development of the Covid-19 pandemic got a blast from Beijing. China's ambassador to Canberra accused Australia of joining the US in 'resorting to suspicion, recrimination or division'.

Beijing hit the economic coercion button, targeting Oz beef and barley.

As part of a 'robust program' in the South China Sea, HMAS Parramatta conducted exercises with three US Navy ships. Or, as Euan Graham put it, Australia joined the cavalry to push back at 'cynically timed Chinese adventurism in the South China Sea, offering reassurance to wavering Southeast Asian countries'.

To see the five-year curve, consult Malcolm Turnbull. The China chapter of his memoir, A bigger picture, is a wake-up compilation. The former prime minister records his question to China's Premier Li Keqiang: 'Surely China should want to be seen as more of a cuddly panda than a scary dragon?'

Turnbull relates his shifting answer, starting with the geopolitical impact of China's island-building land grab in the South China Sea. He dishes domestic detail on cyber espionage, Chinese investment and political interference, and banning Chinese 5G technology.

Dragonish behaviour caused Australia's China reset.

On the crikey of cyber assault:

[W]hat's become increasingly apparent over the last decade is the industrial scale, scope and effectiveness of Chinese intelligence gathering and in particular cyberespionage. They do more of it than anyone else, by far, and apply more resources to it than anyone else. They target commercial secrets, especially in technology, even where they have no connection with national security. And, finally, they're very good at it. A last point, which speaks to the growing confidence of China, is that they're not embarrassed by being caught.

Beijing got heartburn at Canberra's refusal to join the Belt and Road Initiative. Australia would be happy to work on specific projects, 'but we would not sign up to a slogan when we had no control over its content or substance'.

On the oops of espionage and foreign interference, 'Australian governments had simply not been paying attention', Turnbull writes.

Our espionage laws were out of date, last revised during the Cold War, and we had no legislation to regulate, let alone prohibit, foreign political donations. With so much foreign, mostly Chinese, money flowing in and around politics, we also lacked any transparency legislation.

Turnbull introduced legislation on foreign interference and foreign influence in December 2017, stating the Chinese Communist Party worked covertly to interfere with the Australian parliament, media and universities. China denounced the law; Turnbull pushed back, using a defiant line drawn from Mao Zedong's 1949 victory statement: 'The Australian people stand up.'

Rendering it in Mandarin made the point even sharper, enraging Mandarin speakers from Beijing to Kevin Rudd.

Turnbull recalls the 'slightly discordant note' when US President Barack Obama complained in 2015 about the Port of Darwin being leased to a Chinese company. With the US rotating marines through Darwin, Turnbull concedes, 'it wasn't a good look'. Communications had 'gone amiss' and the US government first heard about the deal from the Wall Street Journal. Turnbull reruns his jest line: 'I did offer to buy the White House a subscription to the Northern Territory News.'

The jests evaporate when he gets to 'a far more serious snafu' that arose over New South Wales' effort—nearly a done deal—to sell almost all of its electricity assets to China. 'There had clearly been a breakdown in communications within our national security agencies.'

The wake-up response was to create a centre to check on the national security risks of foreign acquisitions of critical infrastructure. The mood shift is such that during the Covid-19 crisis, the government has cut to \$0 the threshold for checks by the Foreign Investment Review Board. No vital assets will be sold cheap during the pandemic. And, you could deduce, there's no way Darwin's port would be sold today.

In the week the Liberal Party toppled Turnbull as PM, Australia became the first nation to ban 'high risk' vendors (read: China's Huawei and ZTE) from building its 5G network. Unlike 4G and 3G, he notes, 5G can't be divided into core and non-core elements: '[T]he core is no more—the intelligence it used to contain will be distributed throughout the network.'

The 5G risk arrived, Turnbull writes, because of 'ferocious competition from the Chinese vendors on price and an absence of mind' in the Five Eyes intelligence club (the US, Australia, the UK, Canada and New Zealand).

An adversary with a permanent beachhead in an economy's most important enabling platform technology would have the ability to make all or parts of the network—or devices and institutions within it—unavailable or unresponsive.

After intensive investigation and discussions with other Five Eyes countries, 'the unequivocal advice was that the risks couldn't be mitigated'. Huawei isn't a smoking gun, Turnbull says, but a loaded gun.

The wake-up words mount: absence of mind, lack of attention, no control, snafu.

With two grandchildren of Chinese heritage, Turnbull ends by dismissing 'the false premise that any criticism of or concern about China and its ruling Communist Party is "anti-Chinese" or racist'.

Australia has shifted because its major economic partner has form as a bully and reveals its potential as an adversary.

Graeme Dobell is ASPI's journalist fellow.

Published by ASPI on May 18, 2020.

Australia, China and Antarctica

05/08/2020

By Anthony Bergin and Tony Press

In 2013, the Tasmanian government signed a memorandum of understanding with China's State Oceanic Administration to provide support services for Chinese Antarctic expeditions. Under the agreement, Chinese vessels were given access to Hobart's port and provided with technical and regulatory assistance support. The Australian government and China signed a memorandum of understanding on Antarctic collaboration in 2014.

China has committed to regular visits to Hobart by its Antarctic icebreakers. The Xue Long and Xue Long 2 visited in November 2019, and the Xue Long 2 returned in March when Australia helped the Chinese team that was repairing a research vessel stranded in Antarctica.

Hobart may host China's first nuclear-powered icebreaker, which is now being constructed. Australia transports Chinese expeditioners on intercontinental flights from Hobart to Antarctica and within Antarctica. China reciprocates with logistics and science support to Australia in Antarctica.

The logistics arrangements directly benefit the Tasmanian economy and support the Antarctic efforts of both nations.

But if China's long-term ambitions in Antarctica aren't congruent with ours, should we also be asking how we might adjust this relationship and our commitments to ensure Beijing supports our Antarctic interests? Antarctica is strategically important to Australia. As a claimant state to 42% of the Antarctic continent, we have vital national interests in the region and critical relationships with other countries that are active there.

In our new ASPI report, Eyes wide open: managing the Australia–China Antarctic relationship, released today, we take stock of Australia's long relationship with China in the Antarctic in the context of its status as a rising power in Antarctic affairs. Some analysts see our cultivation of a closer relationship with China on Antarctic affairs as laudable, even when we differ sharply over other important issues.

That's because a well-constructed relationship can improve the chances that Australia and China will cooperate in a part of the world that has remained free from military conflict, and that Australia can influence China's evolving interests in the Antarctic Treaty System.

Others are concerned that the expansion of ties with China may cost us our traditional role as a leader in Antarctic affairs.

Given the broader tensions in the China–Australia relationship, China’s global ambitions, the lack of progress on key Antarctic policy initiatives and the potential for significant geopolitical consequences for the future of Antarctica and for Australia’s strategic interests, it’s important that Australian policymakers reconsider our long-term Antarctic policy settings.

China has already demonstrated its ability to disrupt the established decision-making systems of the Antarctic Treaty System. Responses to those disruptions require early intervention, coherent strategies, disciplined implementation and strong partnerships with like-minded countries.

We found no clear evidence that China is violating the Antarctic Treaty, and we’re not arguing for a confrontational approach with Beijing. Indeed, Australia should continue scientific and logistic cooperation with China in Antarctica. But there’s reason to apply a more sharply focused assessment of the costs and benefits of cooperation, given China’s more assertive international posture and increasing interests in Antarctica.

Future cooperation should proceed only after a careful assessment of Australia’s interests and the impact on our wider multilateral aims. We should bring broad policy and intelligence perspectives to our Antarctic activities and relationships and assess with allies and friends China’s activities, interests, goals and intentions.

Recommendations designed to maximise the value and mitigate the risks of our Antarctic relationship with China include:

establishing a ministerial Antarctic council to assess, measure and review our Antarctic engagements, most importantly our engagement with China

demonstrating Australia’s commitment to Antarctica through visits there by the prime minister and senior ministers

regularly engaging with Australian Antarctic scientists and logisticians through policy departments and other agencies

conducting ongoing discussions on how China might be affecting Antarctic norms and governance, on any risks in research collaboration, and on areas in which our engagement might be more focused

providing regular briefings by Australia’s intelligence community for scientists and other Australian Antarctic officials about China’s aims and what scientific cooperation might indicate about China’s intentions

placing Antarctica back on the agenda for the Australia-China High-Level Dialogue, from which it was dropped

objecting strongly when China’s views run counter to the values and norms of the Antarctic Treaty System and speaking out early on any Chinese attempt at norm-shifting

adopting a more tailored and transactional approach in our Antarctic engagement with China, making clear what we expect from China

establishing a dialogue with friends and allies to develop a shared understanding of China’s interests and ambitions for Antarctica and to ensure that differences on China’s Antarctic policies or actions aren’t treated only as bilateral issues

increasing our cooperation with the US on Antarctic affairs; for example, Antarctica could be a topic for consideration at the next AUSMIN meeting

increasing our Antarctic engagement with Asia to avoid problems arising from over-reliance on bilateral cooperation with China. Australia has strong scientific collaboration with South Korea and Japan, and India is keen to strengthen its Antarctic connections with Australia

promoting Hobart’s role as a science and logistics gateway to Antarctica to South Korea, Japan and India. That diversification will reduce Tasmania’s economic reliance on China

examining how technology such as civilian satellites could enhance inspection and transparency; for example, experts from the Defence Science and Technology Group, in civilian roles, should be more involved in an enhanced inspections regime

conducting regular inspections of Chinese facilities in the Australian Antarctic Territory.

Stagnant and, in some areas, diminishing funding for science (as opposed to logistics and infrastructure) has opened the way for China to invest in Antarctic research by Australian institutions. We run the risk of being mendicants living on Chinese research funds. Modest Australian reinvestment will diminish that risk and increase our leverage as we engage with China on Antarctic research.

As a guiding principle, applying the Hippocratic oath, ‘First, do no harm’, to our Antarctic and overall national interests would help manage Australia–China Antarctic relations.

For example, we should not help China to use Antarctic research for resource exploitation, to gather information on advanced technology with clear potential for military purposes, or to damage the environment.

Given Beijing’s tendency to move quickly on a broad front, as it has done in the South China Sea, we need to be prepared to respond to a rapid increase in the speed and scale of China’s activity in Antarctica.

To ensure that our engagement with China on Antarctic affairs proceeds in line with our national interests, we should pursue an approach that’s clear, cogently communicated, credible, comprehensive and consistent. This must be informed by a broad appreciation of the cumulative effect of China’s actions, policy and presence on the continent.

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This article was published by ASPI on [April 27, 2020](#).

The USMC Commandant’s China Bet: Reactions and Key Questions

05/01/2020

By Robbin Laird

The new commandant of the US Marine Corps has announced that he would like to redesign the force to put his chips on the chessboard to operate close to China and to counter how he sees the Chinese threat.

His projected force structure changes are largely driven by force redesign efforts during his time as head of the Marines’ Combat Development Command in Quantico, Virginia where the command ran a number of war games to form a basis for the restructuring plans.

Whereas the USMC has been in the process of going back to the sea, the Commandant is focused on them becoming primarily a naval expeditionary force, but one never seen before in history.

As [Michael Gordon](#) of *The Wall Street Journal* highlighted:

“To reinvent themselves as a naval expeditionary force within budget limits, the Marines plan to get rid of all of their tanks, cut back on their aircraft and shrink in total numbers from 189,000 to as few as 170,000, Gen. Berger said. “I have come to the conclusion that we need to contract the size of the Marine Corps to get quality,” he said.”

Maj. Joshua Benson, a spokesman for the Marine Corps Combat Development Command, was quoted in an article in [USNI News](#) that:

“The Marine Corps is not optimized to meet the demands of the National Defense Strategy. In the summer of 2019, the Marine Corps began force design activities focused on adapting capabilities to properly shape the Marine Corps’ contributions to naval warfare and the joint force. These planning efforts led to a modernized design which incorporates emerging technologies and significant changes in force structure to deliver a Marine Corps the nation needs by 2030.”

The key notion here is “properly” shaping the Marine Corps and its contributions to naval warfare and the joint force.

To be clear, the focus is upon reshaping the USMC as a naval expeditionary force in a very targeted way, quite literally, the target being China and a very clear notion of what that threat is and how it needs to be dealt with.

The Economist characterized the new approach envisaged by the Commandant as follows:

The idea is that in a war with China, America’s hulking aircraft carriers might be pushed far out to sea by the threat of missiles. But small groups of 50 to 150 Marines, wielding armed drones, rockets and anti-ship missiles, could get up close, fanning out on islands along and inside the chain from Japan to the Philippines. Like a high-tech echo of the insurgents they once fought, they would jump from one makeshift base to another every couple of days to avoid being spotted and targeted, says General Berger. They could feed targeting information back to more distant ships and warplanes, or pepper the Chinese fleet with fire themselves—a form of dispersed, island-hopping warfare designed to stop a Chinese attack in its tracks.

Meagan Eckstein in her article for USNI News added that the focus is for the USMC to be “optimized for conflict with China in the littorals – a force that will completely divest of its tanks and slash most of its artillery cannon battalions, instead focusing on developing light mobility options to get around island chains with the assistance of unmanned systems and mobile anti-ship missiles.”

Major Benson added: “By the year 2030, the Marine Corps will see complete divestments of Law Enforcement Battalions, Tank Battalions and associated Military Occupational Specialties (MOS), and all Bridging Companies.

“Additionally, the Corps will reduce the number of infantry battalions from 24 to 21; artillery cannon batteries from 21 to 5; amphibious vehicle companies from 6 to 4; and reduce tilt rotor, attack, and heavy lift squadrons.”

By eliminating tanks and radically restructuring and cutting aviation assets, a new trajectory will be shaped to create in Major Benson’s words: “A Marine Corps the nation needs by 2030.”

Benson highlighted some elements of what this Marine Corps would priority to get “the Marine Corps” the nation needs.

“Throughout this 10-year initiative, the Marine Corps will be making investments in capabilities to include increasing long-range precision fires, advanced reconnaissance capabilities, unmanned systems and resilient networks. Future budget requests will include an expanded list of viable unmanned capabilities that will create significant opportunity for industries across the country.”

Quite obviously this vision needs complete support from the USAF and the US Navy to be credible.

Both services will need to see this USMC restructuring as a priority for the nation as well, and, even more importantly, when the high end fight with China unfolds, they will see working close in against Chinese forces as the priority mission, not just for the USMC but for the extended range of their support and strike capabilities as well.

What have been some of the reactions to this proposed trajectory of change?

And what are some of the questions which are being raised and will need to be addressed if such a course of action becomes national policy?

The Perspective of Dan Gouré

One assessment has been provided by Dan Gouré in an article published in [Real Clear Defense](#).

A key concern which Gouré highlights is the question of whether the new force design is too targeted and too focused on a very narrowly defined approach to warfighting against China. And if that approach is ultimately credible.

“General Berger contends that the new force design will provide a more potent deterrent to conflict and a more lethal war-waging capability. However, there are reasons to be concerned that Force Design 2030 will produce a “forlorn hope,” requiring the defense of forward positions against overwhelming odds while suffering terrible casualties.... In essence, General Berger sees the future force as supporting deterrence of China by threatening to blunt naval offensives to control the Western Pacific.”

Gouré asks a core question: “How realistic is the vision of the future Marine Corps suggested by Force Design 2030, and how effective would it be?”

“There are numerous obstacles to deploying and operating a stand-in force that can survive in a future high-intensity conflict. Today there are few places in the Western Pacific that such a force can be deployed in peacetime. Even if it were possible to get our Asian allies to allow the Marine Corps to sprinkle units armed with long-range weapons across the Western Pacific, those units would be early targets of China’s first wave of precision weapons during a crisis.

Also, there would be the problem of resupplying those units, which are likely to run out of munitions, fuel and supplies quickly once a conflict starts.”

The Perspective of Mark Cancian

A second assessment has been provided by [Mark Cancian](#) of CSIS.

In his assessment entitled, “The USMC’s Radical Shift Towards China.”

According to Cancian: “The restructured Marine Corps will focus single-mindedly on a conflict with China in the Western Pacific, build capabilities for long-range and precision engagement in a maritime campaign, eliminate capabilities for counterinsurgency and ground combat against other armies, and get smaller to pay for the new equipment.”

He characterizes this as a no-hedging strategy.

“The lack of hedging means that the Marine Corps will not field the broad set of capabilities it has in the past. It will be poorly structured to fight the kind of campaigns that it had to fight in Korea, Vietnam, and Iraq.

“The history of the last 70 years has been that the United States deters great power conflict and fights regional and stability conflicts.

“Although forces can adapt, as seen during the long counterinsurgency campaigns in the Middle East, there is a delay and an initial lack of expertise.

“The Marine Corps might plan to defer these conflicts to the Army, but that has not worked in the past. Army forces have been too small to keep the Marine Corps out of sustained ground combat.

“Marine Corps officials have argued privately that other kinds of conflicts would be lesser included capabilities of this focus on high-end conflict in the Western Pacific.

“This is misplaced.

“History is littered with examples of militaries that prepared for one kind of conflict and then had to fight a very different kind of conflict. In the best circumstances, militaries adapt at the cost of time and blood.

“In the worst circumstances, the result is catastrophic failure.”

The Perspective of a Nuclear Strategist

A third reaction has been provided by Dr. Paul Bracken who highlights that the American military needs to relearn the critical nature of the nuclear dimension which is rolled within the warfighting strategies of our peer competitors.

Nuclear war as a subject has been put into a small, separate box from conventional war.

It is treated as a problem of two missile farms attacking each other.

This perspective overlooks most of the important nuclear issues of our day, and how nuclear arms were really used in the Cold War.

It should be remembered that China is the only major power born in a nuclear context. The coming to power of the Communists in China was AFTER the dawn of the nuclear age. And Beijing learned early on the hard realities of a nuclear world. Soviet treatment of Beijing in the Taiwan Straits crises and in the Korean War with regard to nuclear weapons, taught China the bitter lesson that they were on their own.

This led directly to China's bomb program.

China is also the only major power surrounded by five nuclear states. It's true that two of these states are, technically speaking, allies (Pakistan and North Korea).

But there can be little doubt that both target China with atomic weapons.

More, at senior levels of the Chinese government they understand that their “allies” are a lot more dangerous than China's enemies.

When discussing defense strategies, it is crucial to understand the nature of escalation. One of the fundamental distinctions long since forgotten by today's military leaders and in academic studies is the zone of the interior, or ZI.

As soon as you hit a target inside the sovereign territory of another country, you are in a different world.

From an escalation point of view striking the ZI of an adversary who is a nuclear, crosses a major escalation threshold.

And there is the broader question of how we are going to manage escalation in a world in which we are pushing forward a greater role for autonomous systems with AI, deeply learning, etc.

Will clashes among platforms being driven by autonomous systems lead to crises which can get out of control?

We need a military strategy that includes thinking through how to go on alert safely in the various danger zones.

Question: This raises a major question for strategy: How to manage military engagements or interactions in the Pacific without spinning crises out of control.

How does the nuclear factor weigh in?

Paul Bracken: The first thing is to realize it is woven into the entire fabric of a Pacific strategy. You don't have to fire a nuclear weapon to use it.

The existence of nuclear weapons, by itself, profoundly shapes conventional options.

The nuclear dimension changes the definition of what a reasonable war plan is for the U.S. military.

And a reasonable war plan can be defined as follows: when you brief it to the president, he doesn't throw you out of the office, because you're triggering World War III.

A USAF Perspective

A fourth assessment has been by Lt. General (Retired) David Deptula who focused on the danger of single service modernization strategies as fragmenting an overall deterrence strategy for the United States. His concern is that with a growing array of single service initiatives designed to compete for “deterrence badges” in the great power competition, there is a clear danger of splintering deterrence rather than reinforcing it.

The U.S. military has just about come out of the significant readiness shortfalls they were dealing with prior to the funding infusion of the past three years.

Now readiness is being hit again both by the impact of the crisis and then the need to ramp up after the initial effects.

And the tight budget situation coupled with geopolitical changes clearly requires shaping a comprehensive military strategy which supports national strategy shaped to deal with those geopolitical changes.

At the heart of the challenge is the requirement to make strategic decisions about force structure development which align with strategic need, rather than separate force structure modernization.

The Perspective of T.X. Hammes

A fifth and very supportive reaction has been provided by T.X. Hammes.

His article published by War on the Rocks focuses upon critics of the new approach as well as dealing with objections which might be raised to that approach.

For example, he answers Gouré's concerns by noting that the Chinese would themselves have difficulties destroying distributed Marine Corps fire teams, based on the experience the U.S. had in destroying Iraqi mobile missiles in the Gulf. He also argues that the projected USMC approach would be to use stealth in deploying the missiles in the first place.

Container-based weapons also dramatically reduce logistical burden because trucks, fuel, water, clothing, and some medical care could be purchased on the open market. Even 20,000 marines and sailors ashore would not strain the economies of Japan (population 125 million), the Philippines (105 million), South Korea (50 million), or Australia (25 million).

The only support that must be delivered will be new missiles in containers and unique communications and sensor equipment.

Given the ubiquitous presence of container handling equipment globally, movement of critical supplies will be greatly simplified.

He then followed by noting that one might question the enthusiasm which allies and partners might have for providing territory for the container-based weapons distributed shell game.

Some question whether host nations will allow these firing elements to operate from their territories.

That is a legitimate question.

I contend they will be more likely to let these small units ashore than a traditional expeditionary brigade or force.

If the United States shares the design and production of the new containerized missile systems with allies, they can have affordable, compatible forces that can present a challenge to China.

Currently, the Philippines and Indonesia do not have effective systems to deter or engage China if deterrence fails. By adding this type of mobile system, they could have deterrent capabilities.

One might note that the explanation provided for the new force design does raise further questions of their own.

Container based weapons was a first order concern for the United States after the events of 9/11 when the question was raised about what kinds of terrorist actions we needed to prepare for. Container based weapons were focused upon a key tools for terrorists and when the problem was worked a number of potential solutions were identified which the Chinese themselves can figure out.

But more than that, given the gray zone competencies of the Chinese, why would one assume that they would not play out the full panoply of their political-military capabilities to deal with this threat, and notably by working neighbors to understand why they might not want to become host nations for such a force.

And the allied piece is not just a good question – it is a determinate one.

The challenge of full spectrum crisis management in the Pacific is a coalition one, and the question is what are allies willing to do and support. First of all, would Japan and Australia fully embrace the strategy? If they would not, the USMC has a problem.

Key Questions

In short, as the Commandant has noted, his force redesign is a work in progress and subject to reworking through wargaming and experimentation but as well a number of broader strategic questions facing the United States and its core allies about its overall strategy towards China post-COVID 19.

One can be sure that the participants in that redesign will be widened through strategic debate throughout the U.S. system, both in terms of this year's elections, and budget choices to be made within the next couple of years, as well as by the allies, who clearly rethinking their China strategy as well.

Ultimately, the question of what is the national strategy towards China and the role of the military aspect within that overall strategy is a crucial one and not yet resolved.

The US Navy is under significant fiscal and re-design pressures.

Will the senior Navy leadership embrace the new Commandant's approach as at the heart of their own distributed maritime strategy or their approach to building out the maritime kill web?

And for the USAF, will they prioritize strategic reach into the first island chain and a priority for them to provide the kind of C2 which a distributed missile force embedded in the Marine Corps as strike force will require?

Another key element is the open ended question of how remote systems or so-called "unmanned" systems are woven into the next phase of development of the air-maritime force.

Is the bet on the ascendant role of unmanned systems a prudent one?

Significant questions remain to be dealt with in terms of how U.S. strategy towards China is shaped going forward post-COVID 19, and this strategy is much broader than the question of an operational military strategy for the joint force, for the coalition force or for single service redesign.

China Buying Italy Amid the Covid Crisis?

04/29/2020

By Debalina Ghoshal

One of the worst countries to be hit by the Covid-19 is Italy.

Amid this crisis, China is however, utilising this as an opportunity to increase its investments in the country.

Following the Coronavirus pandemic, European economies have deteriorated.

Italy with an already weakened economy is already slipping into recession.

Job losses due to the economic shut down following the lockdown has been a major set-back for Italy.

In addition, the pandemic has led to a decline in Italy's tourism industry.

Amid these crises, many Italian entrepreneurs who are facing cash crunch due to the shutting down of the economy, are slowly selling off their businesses to China.

Italy last year joined China's Belt Road Initiative (BRI) becoming the first major European economy to have joined this project to strengthen Italy's financial cooperation to bolster the economy.

However, despite the bonhomie with China, Italy's trade deficit with China clearly meant that new cooperation agreements of Italy are not helping. Further, exacerbating was the fact that Chinese investment last year in Italy had underperformed.

In addition, during the crisis, China forced Italy to buy back the same Personal Protective Equipment (PPEs) that Italy had donated to China when China was suffering from Coronavirus.

Italy has not backed down from its support for China and has refused to blame China for the spread of the virus or even accuse China of mishandling their wet market mechanisms.

One of the reasons for Italian policy in the crisis was the restriction imposed by European Union to provide masks and other important equipment to Italy during the crisis when Italy called out for help.

However, it must be noted that Italy's growing relations with China and its participation in the BRI have not gone down well with its European allies.

Italy is becoming a strategic partner for China as it is a gateway for China into the Mediterranean.

China had already increased its foreign direct investments (FDI) in Italy prior to the crisis, and the crisis provides an opportunity for China to increase its flow of FDIs into the Italian economy.

According to China Briefing, "The sudden increase in the 2015 FDI flow was due to the Chinese SOE ChemChina acquiring 16.89 percent of Pirelli, the world's fifth largest tire maker, for EUR 7 billion (US\$ 7.9 billion).

Chinese FDI spans across a wide variety of industries in Italy, including entertainment, robotics, and luxury brands.

The People's Bank of China has invested around two percent in 10 of Italy's largest companies, including those in the automotive industry and telecommunications, amounting to a total of about EUR 3.5 billion (US\$ 4 billion). Energy, once again, is a key investment target.

In 2014, China's State Grid acquired a 35 percent stake for EUR 2.1 billion (US\$2.4 billion) in the energy grid company CDP Reti."

China is also eyeing Italian ports as an investment target.

For example, state owned infrastructure group China Communications Construction Company (CCCC) signed cooperative accords with governing bodies of ports of Trieste and Genoa in March 2019 soon after Italy subscribed to the project of BRI.

Trieste is a port in the northern Adriatic Sea and is strategically important for China.

China could also be interested in the Sicilian port of Palermo.

This could open new business opportunities for China as the hub port can serve crucial stop over for ships passing to Europe.

The biggest problem is the way China has entered into the European markets, they have not provided reciprocal entry of European markets into China.

Post pandemic, there has to be an effort by the European Union to strengthen the Euro zone in order to prevent excessive Chinese investments and to do a more rigorous control over investments by China within Europe itself.

Italy has already imposed the 'golden powers law' to tighten investment of foreign countries from taking over weaker companies in Italy but proper mechanisms need to be in place to prevent Chinese companies from taking over key sectors of the Italian economy.

Featured photo: From L) China's President Xi Jinping, Chairman of China's National Development and Reform Commission (NDRC), He Lifeng, Italys Labor and Industry Minister and deputy PM Luigi Di Maio and Italys Prime Minister Giuseppe Conte attend a signing ceremony following their meeting at Villa Madama in Rome on March 23, 2019 as part of Xi Jinping's two-day visit to Italy. (Photo by Alberto PIZZOLI / AFP)

As Mattia Ferraresi noted in a March 31, 2020 article published by Foreign Policy:

"Italy is an ideal outpost for China's wide-reaching propaganda effort to cover up its own responsibility for the global spread of the new coronavirus, all the while presenting itself as a compassionate power aiding Western countries in need.

"The government has been pursuing a two-pronged strategy that carefully combines sending medical supplies to assert its relevance in a leaderless world—call it mask diplomacy—while at the same time spreading conspiracy theories to conceal the true origin of the virus. In this "global battle of narratives," as the European Union's foreign-policy chief, Josep Borrell, called it, "China is aggressively pushing the message that, unlike the US, it is a responsible and reliable partner."

The Coronavirus Impact on China: The Loss of the Mandate of Heaven and Its Global Impact

04/21/2020

By Robbin Laird

There are clearly going to be geopolitical impacts from the effects of states dealing with the Coronavirus crisis.

Certainly, one issue will be the question of global supply chains, and the growing recognition that the liberal democracies have relied too much on China for supplies of critical elements for their own survival, notably in the medical area.

But what will be the broader impacts?

At a broader historical level, when I studied Chinese history at Columbia University, one learned that the impact of natural disasters had a significant impact on empires, and signaled that the Mandate of Heaven was being withdrawn, and with that the rise of new dynasties.

Perhaps not quite the Mandate of Heaven, but clearly the crisis and its global impact will perhaps cut short the political life of the ruler for life.

And rumblings have become public.

In an [April 19, 2020](#) article by Jijay Gokhale, two Chinese essays target the role of the ruler for life.,

Ren Zhiqiang's essay My reading of February 23 and Xu Zhangrun's essay Viral Alarm: When Fury overcomes Fear.

Both were written by former members of the Establishment; Xu was a Professor at Qinghua University in Beijing which is like the MIT of China; Ren was a bonafide Red Capitalist. Both have been subject to censorship. And both have disappeared from public view.

Their contents are broadly similar — the rapier is pointed at President Xi Jinping. They hold him personally responsible for the devastation caused inside and outside China as a result of the poor handling of the COVID19 crisis. Labelled as the “Emperor” by Ren and “The Ultimate Arbiter” by Xu, the two essays are a searing critique of the Communist Party's failure towards it's own people in this crisis.

Ren Zhiqiang is ruthless in his attack on Xi Jinping's attempts, post-facto, to ante-date his personal leadership in the crisis. He derides Xi's claims of having been on top of the situation in dealing with the pandemic since 7 January, and ridicules the Party's unconditional endorsement of Xi's successful leadership in a National Party Conference on 23 February, in these words: “Standing there was not some Emperor showing us his new clothes, but a clown with no clothes on who is still determined to play Emperor.”

Xu's portrayal of a helpless leader in the face of the challenge is equally damning: “Faced with this virus the Leader has flailed about seeking answers with ever greater urgency.....” Ren and Xu allege a ‘cover-up,’ and pose fundamental questions such as why there was no public announcement about the epidemic in the days after 7 January, if, in fact, Xi Jinping had chaired a Politburo meeting to give “directions” on handling it, why China permitted all manner of national events in the two weeks after 7 January, and why millions of Chinese were permitted to travel in the run-up to the annual Spring Festival Holiday as a result of which it became a global pandemic.

Both the ‘petitions’ delve beyond the immediate crisis to the very heart of the matter. “The cause of all this,” writes Xu, “lies with The Axle (a term he uses for Xi Jinping) and the cabal that surrounds him.”

And in an assessment by Lindsay Hughes in a two-part series on the impact of the crisis on China, the author underscored a strategic shift away from dependence on Chinese supply chains by the West.

The possibility that even more international organisation will now move their manufacturing and other divisions out of China has increased dramatically. Organisations were already leaving China due to rising costs as the country's standard of living rose. The rate at which organisations left increased under President Trump, when he declared his tariffs on China. The coronavirus now appears to have given any companies that dithered on leaving China the final push.

After a shortage of surgical masks was reported in Europe, for instance, the question was asked: why does Europe depend on China for masks? Why can they not be manufactured in, for instance, Albania, which has equivalent or lower manufacturing costs than China? Albania, moreover, is geographically closer to Europe than China is, transportation costs could be reduced and better controls exerted on the production process.

In the US, companies are increasingly considering moving their manufacturing plants to Mexico, a move that was influenced to a large extent by the new USMCA Agreement. If President Trump is re-elected, certainly a possibility, the

restrictions on importing Chinese-manufactured goods could increase drastically in his second term. According to the results of a recent survey, 160 US automotive, manufacturing and technology company executives said that they would move their operations from China and other countries to Mexico within the next one to five years.

Were that to happen, and there is every likelihood that it will, FDI into Mexico that is re-directed from China and Europe would increase by US\$12 billion to US\$19 billion (\$19.5 billion to \$30.9 billion) a year on average, causing Mexico's GDP to grow by around 4.7 per cent per year. The incentives for manufacturers to move to Mexico are compelling; due to the 25 years of NAFTA, Mexico has become a major manufacturing base for cars, computers, electronics, televisions and trucks that are destined for the US market....

Given the growing distrust of China across most Western countries and in many other parts of the world, it is hardly surprising that the calls to disengage with China are growing.

The author concludes:

China's chickens are coming home to roost.

The coronavirus pandemic appears to be the last straw for a world that has long suffered China's dictatorial practices. China's leaders are now starting to panic; the Chinese Communist Party's hold on power could be at risk or it would take a major effort, perhaps including military intervention, as occurred at Tiananmen Square and elsewhere in China in 1989, to remain in power.

Its international relations are deteriorating, and that deterioration is accelerating in the wake of the pandemic.

Chairman Xi may bluster all he wants, but in the light of growing domestic dissent and international anger and confrontation,

China may have few options but to reform how it conducts itself.

China, as it stands today, is no role model for how to manage the coronavirus pandemic, let alone as an alternative to democracy.

And as final thought Lindsay noted that the divisions in the United States might well play out up and against the Chinese global dilemma as well.

The author highlighted:

China has found US allies among the globalists in Washington. Most prominent among those was the Obama-Biden Administration, with then-Vice President Biden controlling the US's response to various outbreaks of foreign diseases that entered the US.

That was the case during the H1N1 (swine flu) pandemic in 2009, the 2014-16 Ebola outbreak and the Zika virus outbreak. In 2019, Biden was recorded on video mocking allegations that China posed a threat to the US, saying that the Chinese Communist Party "were not bad folks" in his estimation:

"China is going to eat our lunch? Come on, man – they can't even figure out how to deal with the fact that they have this great division between the China Sea and the mountains in the west. They can't figure out how they're going to deal with the corruption that exists within the system. They're not bad folks, folks ... They're not competition for us."

The current pandemic has underlined the paucity of that judgement and the danger of complacency that it poses.

<http://www.futuredirections.org.au/publication/the-wuhan-coronavirus-and-its-impact-on-chinas-foreign-relations-part-one/>

<http://www.futuredirections.org.au/publication/the-wuhan-coronavirus-and-its-impact-on-chinas-foreign-relations-part-two/>

Paul Bracken on China, Nuclear Weapons, and Pacific Defense

04/19/2020

By Robbin Laird

The Coronavirus crisis and its management by the liberal democracies is clearly an inflection point. Moving forward choices will be made shaping the decade ahead in terms of basic national strategies as well as with allies.

To get a sense of how, we might shape a military strategy that fits into the evolving strategic context I talked with nuclear arms expert Paul Bracken of Yale University.

For one aspect which seems often to be neglected is that China is a nuclear power and like all nuclear powers, adversarial warfighting strategies which highlight operations deep within the close in periphery of a counter tend not to be considered in conventional military terms alone.

Question: How would you characterize the Chinese situation?

Paul Bracken: A number of leading scholars on China underscored that China was facing a real economic crisis prior to any U.S. backlash against it. Their point was that China could not continue to grow from 2015 onward, simply by doing more of what it was doing.

The global economy was becoming much too complex for Chinese economic mass mobilization manufacturing strategies to work going forward.

In other words, China was facing a branch point.

What would they do?

Then with the U.S. backlash against China, the branch point changed as well. The branch point, plus the U.S. and broader allied reactions to China are going to force Beijing to rethink what they're doing.

They can't simply do more of the same.

This is the reason China faces complex new challenges which are unprecedented.

Question: With regard to the military side of the equation, where might we start?

Paul Bracken: China is a major nuclear power.

And they are one which has missiles of various ranges within the Pacific region.

What they have done far exceeds what the Soviet Union had against NATO Europe during the Cold War.

With the end of the INF treaty, an end driven in part by Chinese missiles which would have been excluded by an INF treaty if they had been party to it, Beijing's long-range missile threat needs to become a focus of attention, and not just by counter military responses.

This raises the question of the possibility of having at least three power nuclear talks (US, Russia, China) to provide both public diplomacy and cross-government considerations of how to manage the missile challenge. Obviously, such an approach is challenging but certainly has its advantages of finding a place to discuss ways to crisis manage as well.

Moreover, China would like to constrain U.S. nuclear modernization, and for this they simply cannot ignore arms control.

Question: This does raise the question of how to craft an effective and realistic military strategy towards China, with recognition of the nuclear reality of any confrontation in the Pacific.

You and I both entered our professional lives and worked with military and political leaders who understood that large scale conventional operations always contained within them the possibility and in some cases the probability of the triggering of nuclear use.

I simply do not see this with the generation of leaders who have lived through the land wars as their existential reality.

Do you?

Paul Bracken: Nuclear war as a subject has been put into a small, separate box from conventional war.

It is treated as a problem of two missile farms attacking each other.

This perspective overlooks most of the important nuclear issues of our day, and how nuclear arms were really used in the Cold War.

It should be remembered that China is the only major power born in a nuclear context. The coming to power of the Communists in China was AFTER the dawn of the nuclear age. And Beijing learned early on the hard realities of a nuclear world. Soviet treatment of Beijing in the Taiwan Straits crises and in the Korean War with regard to nuclear weapons, taught China the bitter lesson that they were on their own.

This led directly to China's bomb program.

China is also the only major power surrounded by five nuclear states. It's true that two of these states are, technically speaking, allies (Pakistan and North Korea).

But there can be little doubt that both target China with atomic weapons.

More, at senior levels of the Chinese government they understand that their "allies" are a lot more dangerous than China's enemies.

When discussing defense strategies, it is crucial to understand the nature of escalation. One of the fundamental distinctions long since forgotten by today's military leaders and in academic studies is the zone of the interior, or ZI.

As soon as you hit a target inside the sovereign territory of another country, you are in a different world.

From an escalation point of view striking the ZI of an adversary who is a nuclear, crosses a major escalation threshold.

And there is the broader question of how we are going to manage escalation in a world in which we are pushing forward a greater role for autonomous systems with AI, deeply learning, etc.

Will clashes among platforms being driven by autonomous systems lead to crises which can get out of control?

We need a military strategy that includes thinking through how to go on alert safely in the various danger zones.

Question: This raises a major question for strategy: How to manage military engagements or interactions in the Pacific without spinning crises out of control.

How does the nuclear factor weigh in?

Paul Bracken: The first thing is to realize it is woven into the entire fabric of a Pacific strategy. You don't have to fire a nuclear weapon to use it.

The existence of nuclear weapons, by itself, profoundly shapes conventional options.

The nuclear dimension changes the definition of what a reasonable war plan is for the U.S. military.

And a reasonable war plan can be defined as follows: when you brief it to the president, he doesn't throw you out of the office, because you're triggering World War III.

A Look at Strategic Geography for Pacific Defense: Putting the Chinese Military Challenge into Strategic Context

04/05/2020

By Robbin Laird

The Chinese Communist Regime led by "lifetime" leader Xi Jinping has enhanced its military capabilities as part of its overall rise to regional and then global power.

Notably, it has not led with the use of military power as its key instrument, but has combined manufacturing growth, supply chain dominance (enabled by the Western approach to globalization), investments within the West and the Third World, along with sophisticated means for political influence and information war.

And they have built a significant nuclear force underlying their ability to enhance direct defense of the mainland.

How then best to counter the Chinese challenge?

Clearly, the military aspect of this is contextual and not the sole element of the challenge.

A multi-faceted response by the allies and the United States is clearly necessary to reshape the world in ways that constrain Chinese behavior and protect the interests of the liberal democracies.

We have discussed a wider range response to China in a report which we published three years ago with the help of the late Danny Lam.

The point then and now is that a wide range of responses are required, rather than a narrowly focused “great power” defeat the Chinese in their homeland military strategy or how to operate inside the littorals of the Chinese mainland which some American military leaders seem to be espousing.

In any case, such a strategy will prove counterproductive for shaping the kind of coalition which can attenuate Chinese influence within the Pacific region.

China is a significant nuclear power, as is the United States.

Any direct threats to either sides homelands will certainly lead to nuclear use of some kind.

And the question then is how nuclear weapons when weaved with the kind of conventional capabilities being built to disrupt adversarial command and control will play out in any calculation for nuclear use or the conduct of nuclear tipped conventional operations.

This means that any Western strategy which operates within the Chinese projected first island chain raises these kinds of nuclear engaged conventional operations, or with inside the perimeter of our closest allies, the Japanese and the Australians or against American core force generation areas, notably the littorals of the United States, which certainly since Pearl Harbor start with Hawaii.

We have seen as well the expansion of what analysts refer to as gray zone activities in which the Chinese are engaged in the Pacific.

But from my point of view, both gray zone ops and hybrid war ops are part of a broader strategic reality, namely, the nature of crisis management facing the liberal democracies competing with the authoritarian states in a peer-to-peer competition.

The challenge can be put bluntly — deterrence has been designed on the Western side with large scale engagement of enemy forces in mind.

What if deterrence in this sense is the necessary but not sufficient capability to constrain the actions of the authoritarians?

What if you can deter from full scale war, but by so doing not be able to control what your adversary is doing in terms of expanding his global reach and reshaping the strategic environment to his benefit?

What if you have organized yourself for deterrence but not effective crisis management?

What if the US and its key allies are not willing or able to respond and the Chinese expand their approach over time?

How do we constrain China, and not just deter it?

What we clearly do not want to do is what President Obama did — namely, to draw a red line in the sand and have it blown away by the actions of adversaries who simply are not deterred by the prospects of total war perceived to be in the distant future or a risk calculus that does not have effective intervention forces available at the leverage point early in the process of crisis management.

One way to look at shaping an effective inter-allied approach is to overlap three strategic geographies and to shape interlocking air, maritime, and relevant land force capabilities into a defense grid from which power can be projected to push back against Chinese incursions into the Pacific.

And to do so without triggering the threat of CO-Nuclear war (Co-mingled conventional means to support limited nuclear war fighting).

There are four critical overlapping strategic geographies which can be looked at from this point of view: the first island chain for Australia, the expanded outer perimeter for Japanese defense and the strategic triangle for the U.S. for force generation and with the strategic quadrangle for U.S. and allied power projection into the regional force engagement effort to influence Chinese behavior.

Australia's First Island Chain

In a recent article by Brian Weston, a board member of the Sir Richard Williams Foundation, published in the *Australian Defence Business Review*, the author highlighted the importance of the first island chain to shaping an effective Australian defense and deterrent strategy for Australia.

In the graphic below, Weston highlighted both China's first island chain (seen in the yellow markings) and Australia's first island chain (seen in the white).

The red zone indicated covers what I would consider the joint expanded Japanese perimeter and the strategic triangle for operating U.S. forces for power projection in the region.

From the red and white dotted lines are what we would consider to be the strategic quadrangle, which is discussed later in the article.



Weston argued that a 21st century concept of Australia's first island chain could be defined as stretching from Sri Lanka, along the Indonesian archipelago from Sumatra and Java, to Irian Jaya through Papua New Guinea and the Solomon Islands, and on to Vanuatu and Fiji. Obviously, this theater of operation is primarily maritime, but given the nature of the force rebuild ongoing in the ADF it is an area of air-maritime-land operations understood in terms of the capabilities of an evolving integrated distributed force.

The author argued "military operations within this area play to Australia's strengths of high levels of professional military mastery, and an aptitude for the exploitation of technologically advanced capabilities.

“Australia’s continuing investments in surveillance, reconnaissance, information and intelligence capabilities is key to the successful conduct of sub-surface, surface and above-surface maritime operations.”

By having a solid capability to operate within the first island chain, and to do so by building out an integrated distributed force, the ADF can cross link with the U.S. and Japanese allied forces to operate within the strategic quadrangle as needed by the allied force or desired by Australia’s decision makers.

Japan’s Expanded Perimeter Defense

In our 2015 book on Pacific defense, a key part of the analysis revolved around the reshaping of Japan’s defense concept.

The Japanese concept for the dynamics of change was the need for a new “dynamic defense” concept in which the SDF was able to integrate much more effectively with new 21st century capabilities such as acquiring Ospreys, F-35s and rebuilding their Navy to be able to extend the perimeter of their defense beyond a narrow concept of homeland defense.

At the same time, the approach has been clearly constrained due to historical memories and experiences, but it is about shaping greater air land, maritime integration to provide for a “defense bubble” over the nation and one which can interoperate with its closest ally the United States, but also reach out to Australia in their mutually expanding relationship.

One of the key features of our approach was and continues to be how to leverage the new systems we are already bringing on line which allows us to expand our deterrence in depth capabilities.

There is way too much emphasis Inside the Beltway on hypothetical wartime futures, rather than taking a hard headed look at the full spectrum crisis management challenges facing us now and into the decade ahead and military capabilities be interlinked with appropriate allied and national political strategies.

To get the world in 2050 without domination by the authoritarian powers, we have to effectively engage in co-opetition with them in the decade ahead, and exercise the kind of military capabilities which empower political engagement and effective crisis management.

We argued in our 2103 book on Pacific strategy, that Japan would work to enhance its perimeter defense and move eventually towards what we called a two anchor approach.

We argued that expanded perimeter defense is a key part of what we referred to as the “dynamic defense” phase in Japanese policy.

We argued that “this meant greater reach of Japanese systems., better integration of those systems within the Japanese forces themselves, more investments in C2 and ISR, and a long-term strategy of reworking the U.S.-Japanese military relationship to have much greater reach and presence.

“The dynamic defense phase carries with it the seeds for the next phase — the shaping of a twin-anchor policy of having reach in the Arctic and the Indian Ocean.

“Obviously, such reach is beyond the capabilities of the Japanese themselves and requires close integration with the United States and other allies.

“And such reach requires much greater C2, ISR and weapons integration across the Japanese and allied force structure.”

In the graphic below, the box highlights the expanding perimeter of defense in which the defense bubble needs to operate.

But as they build out more effective forces, ones which are capable of integrability, they can enhance as well their capabilities to operate with allies in defending the Northern and Southern reaches of their defense concerns as well.,

Evolution of Japanese Security and Defense

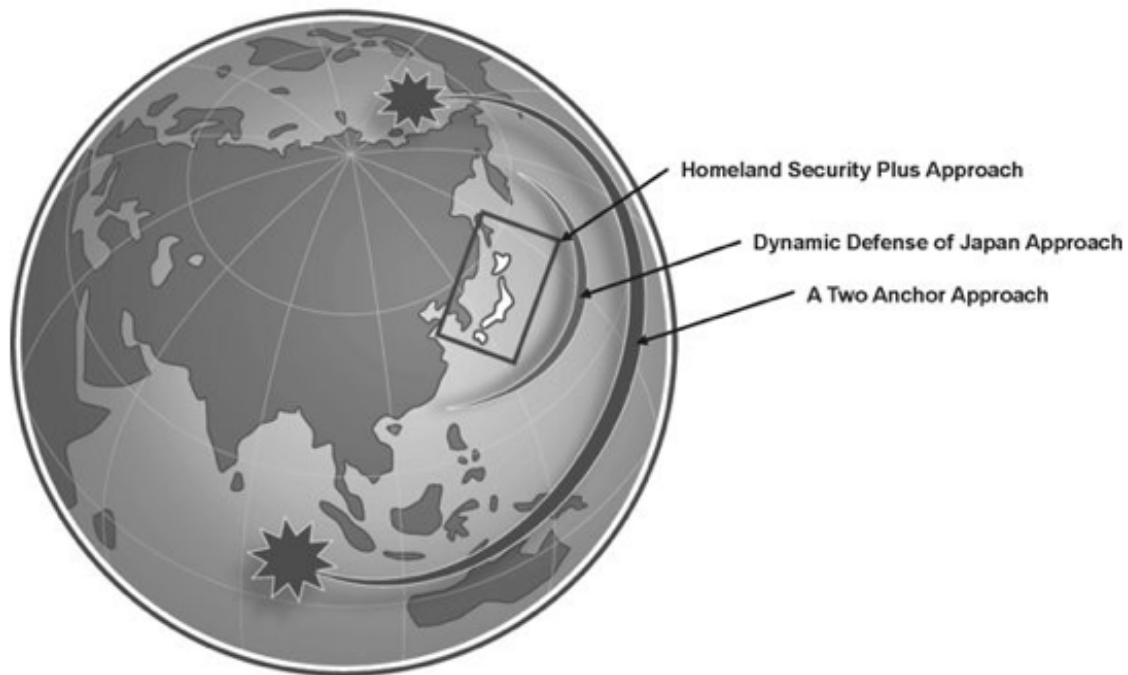


Figure 10.1

The Strategic Triangle and Quadrangle

The tyranny of distance and the challenge of providing persistent presence will be beyond the kin of the United States with declining assets in the 21st century, if 20th century concepts of operations persist.

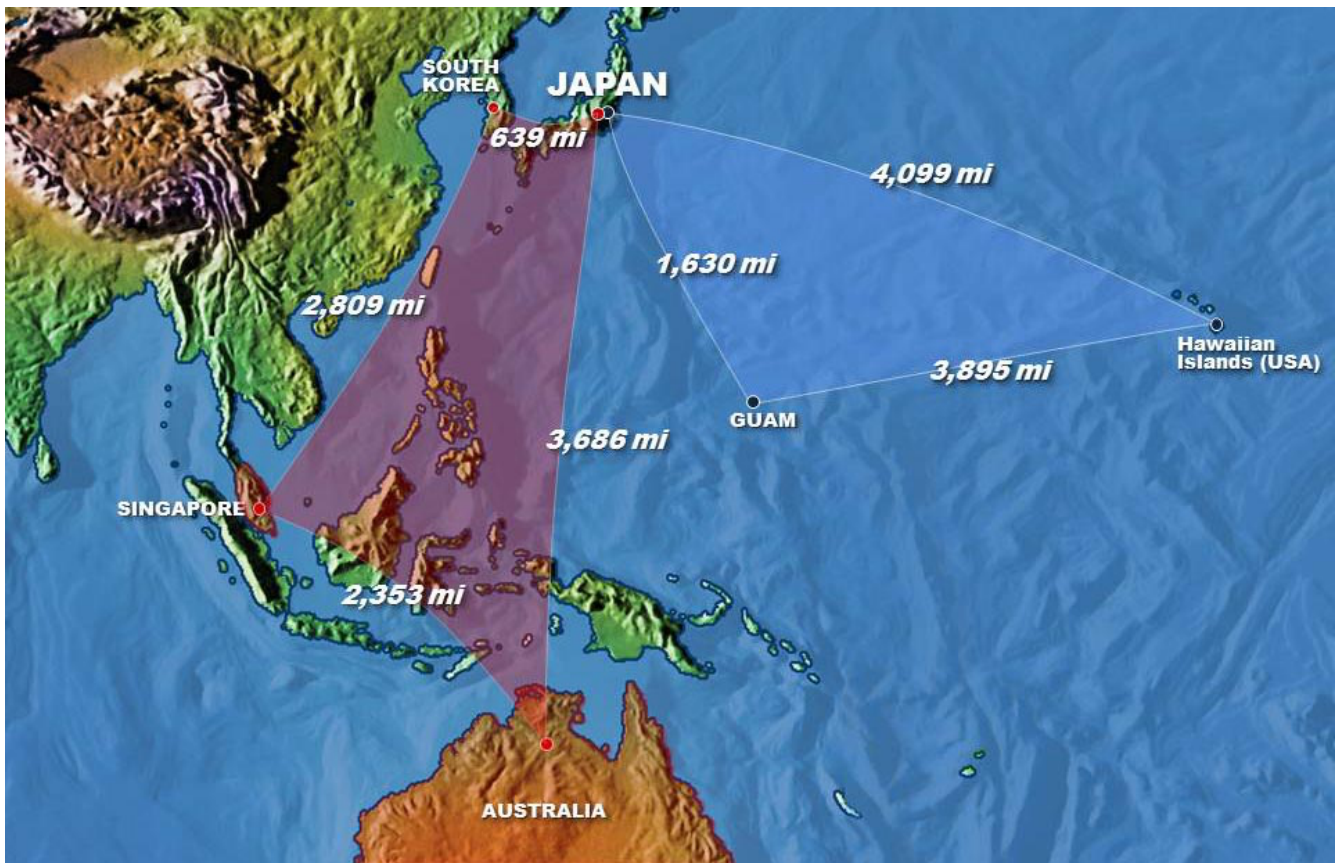
What is needed is another look at geography and another way of thinking about military approaches with allies and collaborative technologies.

One way to think about this is to look at the forward side of the Pacific. The closer in side of the Pacific from Hawaii back involves the defense of the littorals and the key roles of Alaska and the Arctic.

Looking west of Hawaii, the United States operates in two strategic geometries.

The first strategic geometry involves the triangle from Hawaii to Guam to Japan. This triangle is at the heart of the ability of the U.S. to project power into the Western Pacific.

With a 20th century approach which is platform centric and rooted in step by step augmentation of force, each key part of the triangle needs to be populated with significant numbers of platforms which can be pushed forward.



The U.S. faces a tyranny of distance in dealing with the Pacific. And needs to operate in a strategic triangle from Hawaii, to Guam and to Japan. And in a strategic quadrangle which reaches from Japan to South Korea, to Singapore and to Australia. Credit: Graphic Second Line of Defense

To be clear, having capability in this triangle is a key element of what the United States can bring to the party for Pacific operations, and remains fundamental.

But with a new approach to an attack and defense enterprise, one would use this capability differently from simply providing for PUSH forward and sequential escalation dominance.

Rather than focusing simply on the image of projecting power forward or planning to operate against China based on primarily trying to operate within the Chinese first island chain, the enablement of a strategic quadrangle in the Western Pacific is crucial to any successful allied or American Pacific defense and security strategy.

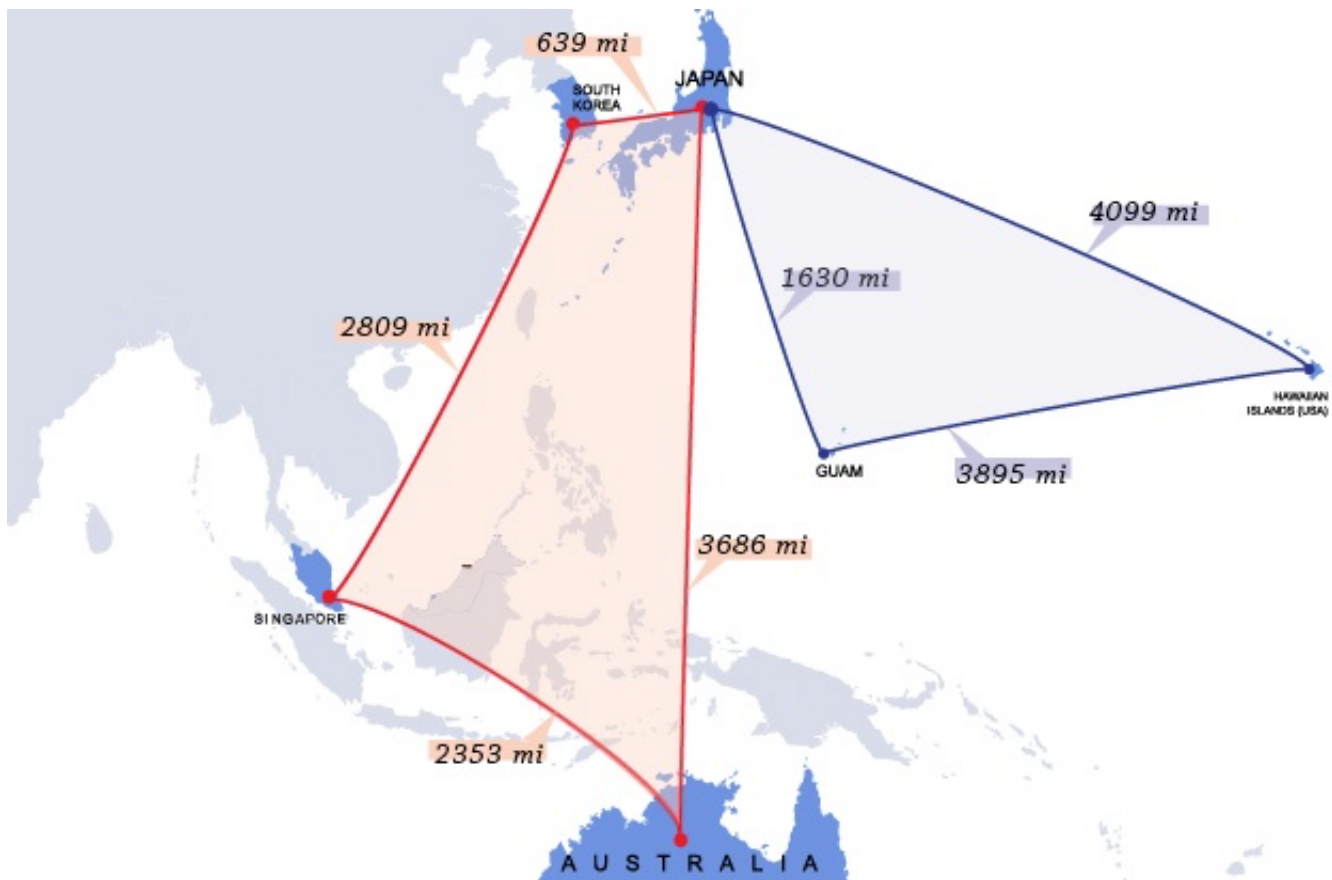
Competition among allies in the Western Pacific is historically rooted and as a former 7th USAF commander underscored, “history still matters in impeding allied cooperation.”

In spite of these challenges and impediments, shaping a strong collaborative quadrangle from Japan, to South Korea, to Singapore to Australia can shape new possibilities.

Enabling the quadrangle to do a better job of defending itself and shaping interoperability across separate nations has to become a central strategic American goal.

This will require significant cultural change for the United States.

Shaping capabilities to operate in both in the 21st century will see the need to craft an effective synergy between U.S. and allied assets, or we will suffer a Ben Franklin moment: “We will all hang separately or we will hang together.”



This version of the graphic was included in the AOL Defense now Breaking Defense article some years ago. Rather than thinking of allies after we think about our own strategy, we need to reverse the logic.

The intersection of the various strategic geographies needs to become a key focus for strategic attention.

Without enabled allies in the Western Pacific, the United States will simply NOT be able to execute an effective Pacific strategy. Full stop.

The quadrangle of Japan, South Korea, Australia and Singapore can be populated by systems, which enable the shaping of a C2/ISR grid that can able a honeycomb of deployed forces, ones which are integratable on demand to deal with crisis management tasks and capable of scalability to the level required for escalation management.

The population of the area with various sensors aboard new tankers, fighter aircraft, air battle managers, UAVs or aboard ships and submarines creates the pre-condition for shaping a powerful grid of intersecting capabilities.

Indeed, an attack and defense enterprise in the Western Pacific can be shaped which the United States can easily plug into, if indeed interoperability and mutually leveraging one another's capabilities is seen as the strategic goal of the new Pacific strategy.

This will require culture change, and not only by the Asian powers.

Conclusions

With the Australians and Japanese reshaping their perimeter defenses, the U.S. engagement within those perimeter defenses as well as strengthening U.S. capabilities to enhance and protect its forces within the strategic triangle is a priority.

To be clear, an ability to defend the perimeter is the first priority. Shaping a solid defense grid which is a barrier to Chinese adversarial operations inside the perimeter is crucial to Pacific defense.

By doing so through enhanced inter-connectedness among the three national forces, allows the coalition to defend more effectively their operational needs and strategic interests to operate in the strategic quadrangle.

Enhancing the capability to dissuade the Chinese from threatening the interests of the liberal democracies in the strategic quadrangle is crucial and its from those enclaves that we can collectively operate to constrain, deter, and deflect the Chinese as they operate outward from the first island chain.

The question then remains how best to deal with the Chinese within the first island chain, understanding that this is a CO-Nuclear zone but is very unlikely to be an area from which one would credibly plan to attack China directly.

That is best left to appropriate longer range strike assets as needed or desired; whether launched from land, underwater or surface platforms, or from aircraft.

Shaping an appropriate strike mix to defend the defense perimeter but to be able as well to project power into the strategic quadrangle is a focus of the strike and defense enterprise going forward this decade.

Information War: China's Misplaced Pandemic Propaganda

04/03/2020

By Minxin Pei

Barely a month ago, China was in the grip of the coronavirus. Thousands of new infections were confirmed every day. Hospitals were overwhelmed. People were dying by the hundreds. People couldn't leave their homes. But the government's draconian lockdown seems to have worked: the outbreak now seems to be under control. And, apparently, China's leaders have ignored its most essential lessons.

To see this, it's worth reviewing how they handled the crisis. Upon hearing that a new coronavirus had emerged in Wuhan in the Hubei province, local authorities' first instinct was to suppress the information. Police reprimanded whistleblowers like the Wuhan-based doctor Li Wenliang, who subsequently died of the disease. (Wuhan police recently apologised to Li's family.)

This should have motivated China's leaders to weigh the costs of censorship and reconsider the appointment of unqualified Chinese Communist Party members to key public health positions. The head of the Hubei Provincial Health Commission, dismissed during the crisis, had no medical training or experience in the health sector.

Moreover, some other countries, especially Singapore and Taiwan, managed to contain the Covid-19 outbreak without incurring the high costs that China did when it placed at least 760 million people under varying degrees of residential lockdown. China's leaders should be looking to these countries for lessons on smarter crisis response.

But, far from learning from past mistakes, China's leaders are trying to cover them up. As virtually the entire global economy effectively shuts down to contain the China-born virus, and deaths in Italy—the pandemic's new epicentre—exceed 8,000, the CCP has shifted its propaganda machine into high gear. Its goal? Change the narrative of the Covid-19 crisis.

At home, this has meant touting the CCP's leadership in mobilising the country to 'win the war' against the virus. It has also meant encouraging the spread on Chinese social media of exaggerated or outright false stories about Western democracies' 'inept' responses to the outbreak.

Abroad, China's propaganda machine is trumpeting declining infection rates as evidence that strong centralised leadership is more effective than democratic governance. Meanwhile, the government is sending humanitarian assistance—including healthcare workers and medical supplies—to hard-hit countries like Iran, Italy and the Philippines.

But if Chinese leaders hope to use the Covid-19 pandemic to build and project soft power, they are likely to be sorely disappointed. For starters, the world is nowhere near ready to forget the role that its initial cover-up played in allowing the virus to spread.

The prevailing view outside China is that, had the country's leaders taken decisive action immediately and transparently, the current pandemic may have been avoided. The CCP can challenge that narrative all it wants, but it cannot force international media to do the same. Chinese propaganda has never gotten much purchase in the free marketplace of ideas; indeed, most of the CCP's previous attempts to influence international public opinion have fallen flat.

Few are tempted by a Chinese-style containment strategy. Shutting down the entire country has cost China dearly in economic terms. First-quarter GDP is expected to plunge 9%. Should a second wave of infections strike, as is likely, repeating the same strategy would lead to economic ruin.

Of course, if this were the only way to save lives, people might be on board. But Hong Kong, Singapore and Taiwan all seem to have struck a better balance between protecting public health and sustaining economic activity.

Against this background, China's humanitarian efforts will do little to repair its reputation. Yes, it is better than offering no help at all. But the country could do a lot more to bolster public health globally—beginning with sharing the massive amounts of data and knowledge it has gathered on the virus.

China could also scale up the production of protective equipment, especially hazmat suits and surgical masks. China made half the world's surgical masks before the Covid-19 outbreak, and it has since expanded production nearly 12-fold. If it really does have the virus under control, there is nothing stopping it from donating this life-saving equipment to countries facing severe shortages.

In particular, China should make a major donation—say, one billion surgical masks and one million hazmat suits (10 days of supply for 50,000 healthcare workers)—to the United States. This could ease tensions between the two countries just enough to enable them—together with the European Union and Japan—to pursue a coordinated response to the pandemic, including action to shore up the global financial system and enact major stimulus packages to stave off a depression.

When this pandemic is finally over, people will remember what China did, not what it said. It can go down in history either as the reason the Covid-19 crisis began, or as one of the reasons it ended.

Minxin Pei is a professor of government at Claremont McKenna College and a non-resident senior fellow at the German Marshall Fund of the United States.

This article was published by ASPI on March 28, 2020 and according to ASPI is presented in partnership with Project Syndicate

Made In China: The Lessons Which the Liberal Democracies Should Learn from the Coronavirus

03/29/2020

By Brahma Chellaney

The new coronavirus, Covid-19, has spread to more than 130 countries—bringing social disruption, economic damage, sickness and death—largely because authorities in China, where it emerged, initially suppressed information about it. And yet China is now acting as if its decision not to limit exports of active pharmaceutical ingredients and medical supplies—of which it is the dominant global supplier—was a principled and generous act worthy of the world’s gratitude.

When the first clinical evidence of a deadly new virus emerged in Wuhan, Chinese authorities failed to warn the public for weeks and harassed, reprimanded and detained those who did. This approach is no surprise: China has a long history of shooting the messenger. Its leaders covered up severe acute respiratory syndrome, another coronavirus, for over a month after it emerged in 2002, and held the doctor who blew the whistle in military custody for 45 days. SARS ultimately affected more than 8,000 people in 26 countries.

This time around, the Chinese Communist Party’s proclivity for secrecy was reinforced by President Xi Jinping’s eagerness to be perceived as an in-control strongman, backed by a fortified CCP. But, as with the SARS epidemic, China’s leaders could keep it under wraps for only so long. Once Wuhan-linked Covid-19 cases were detected in Thailand and South Korea, they had little choice but to acknowledge the epidemic.

About two weeks after Xi rejected scientists’ recommendation to declare a state of emergency, the government announced heavy-handed containment measures, including putting millions in lockdown. But it was too late. Many thousands of Chinese were already infected with Covid-19, and the virus was rapidly spreading internationally. US National Security Adviser Robert O’Brien has said that China’s initial cover-up ‘probably cost the world community two months to respond’, exacerbating the global outbreak.

Beyond the escalating global health emergency, which has already killed thousands, the pandemic has disrupted normal trade and travel, forced many school closures, roiled the international financial system and sunk global stock markets. With oil prices plunging, a global recession appears imminent.

None of this would have happened China had responded quickly to evidence of the deadly new virus by warning the public and implementing containment measures. Indeed, Taiwan and Vietnam have shown the difference a proactive response can make.

Taiwan, learning from its experience with SARS, instituted preventive measures, including flight inspections, before China’s leaders had even acknowledged the outbreak. Likewise, Vietnam quickly halted flights from China and closed all schools. Both responses recognised the need for transparency, including updates on the number and location of infections, and public advisories on how to guard against Covid-19.

Thanks to their governments’ policies, both Taiwan and Vietnam—which normally receive huge numbers of travellers from China daily—have kept total cases to fewer than 60. Neighbours that were slower to implement similar measures, such as Japan and South Korea, have been hit much harder.

If any other country had triggered such a far-reaching, deadly, and above all preventable crisis, it would now be a global pariah. But China, with its tremendous economic clout, has largely escaped censure. Nonetheless, it will take considerable effort for Xi’s regime to restore its standing at home and abroad.

Perhaps that’s why China’s leaders are publicly congratulating themselves for not limiting exports of medical supplies and active ingredients used to make medicines, vitamins and vaccines. If China decided to ban such exports to the United States, the state-run news agency Xinhua recently noted, the US would be ‘plunged into a mighty sea of coronavirus’. China, the article implies, would be justified in taking such a step. It would simply be retaliating against ‘unkind’ US measures taken after Covid-19’s emergence, such as restricting entry to the US by Chinese and foreigners who had visited China. Isn’t the world lucky that China is not that petty?

Maybe so. But that is no reason to trust that China won’t be petty in the future. After all, China’s leaders have a record of halting other strategic exports (such as rare-earth minerals) to punish countries that have defied them.

Moreover, this is not the first time China has considered weaponising its dominance in global medical supplies and ingredients. Last year, Li Daokui, a prominent Chinese economist, suggested curtailing Chinese exports of active

pharmaceutical ingredients to the US as a countermeasure in the trade war. ‘Once the export is reduced’, Li noted, ‘the medical systems of some developed countries will not work’.

That is no exaggeration. A US Department of Commerce study found that 97% of all antibiotics sold in the US come from China. ‘If you’re the Chinese and you want to really just destroy us’, Gary Cohn, former chief economic adviser to US President Donald Trump, observed last year, ‘just stop sending us antibiotics’.

If the spectre of China exploiting its pharmaceutical clout for strategic ends were not enough to make the world rethink its cost-cutting outsourcing decisions, the unintended disruption of global supply chains by Covid-19 should be. In fact, China has had no choice but to fall behind in producing and exporting pharmaceutical ingredients since the outbreak—a development that has constrained global supply and driven up the prices of vital medicines.

That has already forced India, the world’s leading supplier of generic drugs, to restrict its own exports of some commonly used medicines. Almost 70% of the active ingredients for medicines made in India come from China. If China’s pharmaceutical plants don’t return to full capacity soon, severe global medicine shortages will become likely.

The Covid-19 pandemic has highlighted the costs of Xi’s increasing authoritarianism. It should be a wake-up call for political and business leaders who have accepted China’s lengthening shadow over global supply chains for far too long. Only by loosening China’s grip on global supply networks—beginning with the pharmaceutical sector—can the world be kept safe from the country’s political pathologies.

Brahma Chellaney, professor of strategic studies at the New Delhi-based Centre for Policy Research and fellow at the Robert Bosch Academy in Berlin, is the author of nine books, including Asian juggernaut, Water: Asia’s new battleground and Water, peace, and war: confronting the global water crisis.

Published by ASPI on March 16, 2020. This article is presented in partnership with Project Syndicate

Supporting Taiwan in a Covid-19 World

05/22/2020

By Charlie Lyons Jones

China’s longstanding campaign to isolate Taiwan has intensified since Xi Jinping took power in 2012.

However, as Beijing has been upping the ante against Taipei, the United States has worked hard to create more space for Taiwan in world affairs.

Washington has also been marshalling its democratic partners to support Taipei.

Meanwhile, Taiwan’s success in managing the Covid-19 pandemic has improved its international reputation and slowed Beijing’s efforts to diminish Taipei’s status.

In March 2020, the US enacted the Taiwan Allies International Protection and Enhancement Initiative Act of 2019. The law, known as the TAIPEI Act, makes clear Washington’s intention to advocate ‘for Taiwan’s membership in all international organizations in which statehood is not a requirement’ and ‘for Taiwan to be granted observer status in other appropriate international organizations’.

The US’s declaration of support for Taiwan to formally play an international role couldn’t be more timely. Taipei’s successful early measures to contain the spread of Covid-19 provided a textbook example of how a government should respond to a pandemic.

As soon as the first cases emerged out of Wuhan, Taiwan implemented a coordinated response that involved effective contact tracing, a strong testing regime and accurate daily press briefings. Confirmed Covid-19 cases reached 440 on 7 May and no new cases have been recorded since then.

If one government were to be held up as a model by international organisations, the strongest contender would be Taiwan.

Despite Taipei's success in managing the pandemic, some international organisations show discomfort at any mention of Taiwan.

In late January, the International Civil Aviation Organization began blocking Twitter accounts when analysts, journalists and US congressional staffers suggested that Taiwan become a member. The move drew public outrage, but ICAO remained defiant, saying that the blocked accounts were 'deemed to be purposefully and publicly misrepresenting our organization'.

The US State Department later issued a stern rebuke, calling ICAO's actions 'outrageous, unacceptable, and not befitting of a UN organization'. It's hard to argue with that criticism when you consider that Taiwan is excluded from ICAO despite its capital city being a major civil aviation hub.

The World Health Organization has been subject to more pointed criticism. While Taipei isn't formally a member, the Taiwanese government still has been a source of insight into the virus and into best practices for managing and controlling the pandemic.

Yet WHO officials find it difficult to acknowledge this, and some struggle to even mention the word Taiwan.

When pressed about the WHO's engagement with Taiwan by a Hong Kong journalist, a senior WHO official pretended not to hear the question and hung up the phone.

When the journalist called again to ask about Taiwan, the WHO official ignored the question and talked about how well China had done to contain Covid-19. The sorry display showed the world exactly why the WHO needs to start listening to Taiwanese voices.

The TAIPEI Act was enacted to assist Taiwan to more readily contribute to the international community.

A greater Taiwanese presence in international organisations is one part of that story.

Strengthening Taiwan's partnerships with the 15 countries that currently recognise its sovereign status is another part.

The TAIPEI Act attempts to strengthen Taiwan's diplomatic relationships with its 15 partners by doing what Washington does best: deter and coerce.

If any one of the 15 stops recognising Taipei's sovereignty, Washington will reduce its diplomatic engagement with that country as a consequence.

Helping Taiwan strengthen relationships with its diplomatic partners couldn't be more urgent. Since 2016, eight countries across Africa, Latin America and the Pacific islands—including Panama, El Salvador, Solomon Islands and Kiribati—have transferred diplomatic recognition from Taipei to Beijing. Economic inducements have been a primary element in Beijing's campaign. Some are now worried that the Vatican or Tuvalu could be next to recognise Beijing.

Arresting Taiwan's diplomatic misfortune is a tough ask.

For the TAIPEI Act to work, Washington will need to do more than foreshadowing reduced support if nations flip to recognise Beijing or pressuring international organisations into accepting Taipei's membership. The US will need to rekindle its powers of persuasion....

Given the unique challenge that Covid-19 poses to American leadership, the TAIPEI Act shows foresight in acknowledging that Washington alone can't keep Taiwan afloat in the world.

The act recognises that 'Australia, India, Japan, and other countries are of significant benefit in strengthening Taiwan's economy and preserving its international space.'

Clearly, Washington is relying on its allies and partners to do some heavy lifting.

Australia is stepping up to the mark.

Facing threats of economic coercion from China, Australia played an important role in persuading 116 countries to co-sponsor a motion in support of an international inquiry into Covid-19 that will be put before the World Health Assembly during its meeting in Geneva on 18–19 May.

If the motion is upheld, Australia will be in a great position to build another coalition that backs Taiwan's meaningful participation in the WHO.

Like its support for a credible international inquiry into Covid-19, Australia should advocate for Taiwan's meaningful participation in the WHO because Taipei can offer valuable experience and expertise that will advance the international public interest. Australia won't be the only nation supporting Taiwan for this reason.

Australia can also do more to support the objectives of the TAIPEI Act.

Australia could work collaboratively with Taiwan on Covid-19 aid projects as part of the government's 'Pacific step-up'.

Exchanges between Australian Defence Department officials and their counterparts in Taiwan could also be promoted through Track 2 or Track 1.5 dialogues, which is all well within the joint communiqué between Australia and the People's Republic of China.

Australia has an interest in ensuring that the TAIPEI Act meets its objectives.

The Covid-19 crisis has shown that a world without Taiwan's contributions is poorer and less secure.

As a good international citizen, Australia needs to help Taiwan realise its potential as a productive member of the international community.

Charlie Lyons Jones is a researcher with ASPI's defence, strategy and national security program.

This article was published by ASPI on May 18, 2020.

Raising a Red Flag on U.S Pension Funds Investments in China

04/29/2020

A recent letter to President Trump by prominent US citizens and former public officials has raised concerns about pending investments from U.S. government pension funds to Chinese firms.

Unless you act immediately to interdict the transfer now in the offing – one that would result in the Thrift Savings Plan's \$50 billion International Fund "mirroring" the MSCI All-Country World ex-U.S. Index, then billions of dollars

of U.S. government employees' pension funds will soon be invested in the PRC and some of its most problematic companies.

The full letter can be read here:

<https://defense.info/strategy/2020/04/raising-a-red-flag-on-u-s-pension-funds-investments-in-china/>