

STRATEGIC ESTIMATE 2021



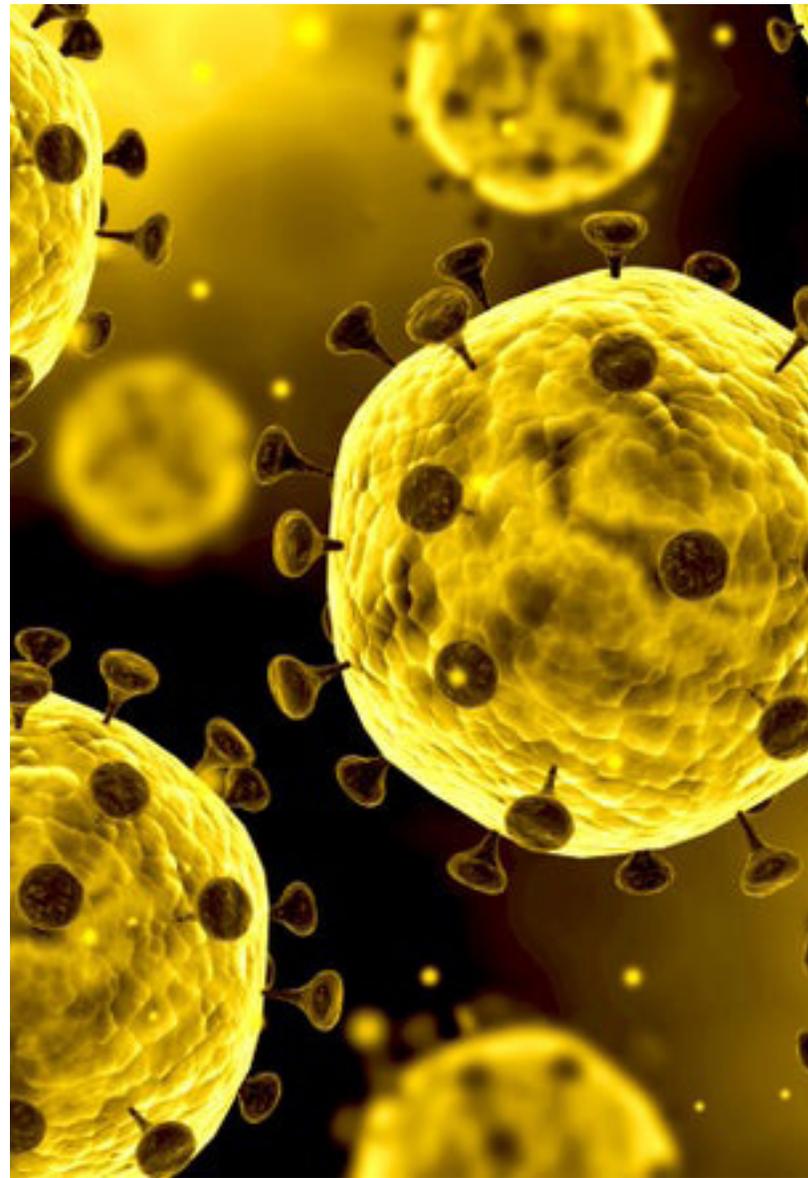
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INTRODUCTION

The year 2020 will forever be known as the year when an infectious disease caused by severe acute respiratory syndrome coronavirus-2 (SARS-CoV-2), aka. COVID-19 infected over 100 million people that led to the deaths of over a 2 million worldwide. The impact of the virus and the response to it will have wide scale repercussions and even with the beginning of 2021 its full impact is still not completely clear. The COVID-19 pandemic has dominated the economic and political landscape in 2020 and its impact will be assessed in *Strategic Estimate 2021*.

2020 was election year for the global superpower. President Trump's first term has been everything but stable. The US remained deeply involved in global issues despite the rhetoric about disengagement from global issues. Trump made many promises in his presidential campaign and his effect on America's global position will be assessed in *Strategic Estimate 2021*. The debate continues to rage if Trump has weakened or strengthened America's global position especially as the US was marred in global conflicts and with the rise of China the US continues to be dogged by imperial overstretch. The battle for global supremacy continues with China especially the trade war where Trump promised punitive measures but stopped short of this at the end of 2019. In *Strategic Estimate 2021* we assess the state of play between the two nations. The US carried out the assassination of Qasim Soleimani, one of the IRGCs senior commanders in January 2020, this once again brought to light the US agenda for the Middle East. *Strategic Estimate 2021* assesses America's interests and the strategy in the region.

Vladimir Putin passed his two-decade anniversary as ruler of Russia in 2020 with his approval rating the lowest it has ever been. But a package of constitutional changes which were approved in a national referendum has begun the post-Putin era and for the first time for many Russians a future without Putin is now on the horizon. Russia faced significant challenges in her buffer regions in 2020 with Moscow backed leaders in Belarus and Kyrgyzstan caught up in elections results that the people refused to accept and with Caucasus escalating into full scale warfare between Armenia and Azerbaijan. *Strategic Estimate 2021* assesses the impact of this on Russian power. 2020 has seen Russia's arctic strategy take shape. With the ice melting and as technological development grows this is



creating more opportunities for Russia and places it in a key position to benefit from the northern passage and the energy resources present in the arctic. *Strategic Estimate 2021* assesses the opportunities and challenges Russia faces on her northern border. Russia has long relied upon her oil wealth to keep her global position and economy operational and whilst it's easily accessible oil reserves have long been the cornerstone of her economy, the era of Russia's easily accessible and cheap energy is coming to an end which represents significant challenges for the world's largest nation. How Russia navigates this will determine her future and *Strategic Estimate 2021* assesses the country's options.

China took centre stage in 2020 as the COVID-19 virus reportedly originated from the country. China's economic model meant the virus posed a significant challenge to her and drastic action was needed to ensure the country's economy did not come to a complete halt. *Strategic Estimate 2021* assesses the impact of the virus on China's economy. The Chinese Communist Party (CCP) forged ahead with national unity with the acceleration of the reintegration of Hong Kong which effectively brings to an end the two systems, one nation policy. The impact of this on China's unity and power will be assessed. With the trade war in full swing China attempted to de-dollarise in 2020 in order to circumvent US sanctions and restrictions. Despite lots of rhetoric against the US dollar, progress has been slow, *Strategic Estimate 2021* assesses where China stands with her move away from the dollar and whether she can succeed. The US Pentagon released its annual review of China's military in September 2020, it made a number of headline grabbing conclusions and *Strategic Estimate 2021* assesses China's military ascent.

Europe faced several strategic challenges in 2020. The future of Europe in terms of her unity and her role in the world remained a debate as the UK exited the union. *Strategic Estimate 2021* assesses the challenges Europe faces as her global position adjusts to the rise of other regions and nations.

The Eastern Mediterranean has become a key battle ground between France and Greece on one side and Turkey on the other as they battle for the region's energy resources. Just across from the European coast on the Mediterranean the battle for Libya has become even more complicated as Turkey entered the fray. In 2020, Mali also witnessed a re-run of the coup that took place eight years ago in 2012, but on this occasion it succeeded. North Africa has for long been the last remaining region where Europe maintained influence and it has strategic implications if it lost by them. *Strategic Estimate 2021*

assesses the implications of the political events that took place in 2020.

The global economy took massive hit in 2020 as lockdowns across the world took national economies off-line for months. The impact was broad and deep, it affected manufacturing, GDP and employment. The global economy was due a recession in 2020, but the COVID-19 pandemic turned the recession into something that is looking worse than the Great Depression of the 1930s. *Strategic Estimate 2021* assesses the economic impact of COVID-19 on the global economy.

Many factors can affect geopolitics and for *Strategic Estimate 2021* we assess the role a nation's military capability plays in global power projection. Long considered a key characteristic for any global power, we look at the basic building blocks of a nation's military capability in the modern day as well the current trends. We also assess the unique position of the US military and the status of China as a rising military power.

What follows inshaAllah is the author's opinion and assessment of 2020 and the trends for 2021 and beyond. Like any assessment, they are estimates and forecasts.

Adnan Khan

16 Jumada Al-Awwal 1442 AH

31 December 2020 CE





THE USA

The global hegemon is in a precarious position with trouble domestically and growing challenges abroad. Whilst the US talks of global disengagement it remains deeply involved across the world but has very few successes to talk about. The Presidential election revealed the divisions in the country rather than how strong it is. US commitments and credibility are all being questioned by both her enemies and her allies around the world.

DID PRESIDENT TRUMP DELIVER?



Before Donald Trump was inaugurated in 2017 the global context the US found herself in, was a nation whose public had lost confidence with the US position in the world. The decades long wars in the Middle East had not turned out the way the politicians sold it to US citizens and in Syria many viewed the Obama regime had weakened America's global position.

President Trump took an 'America First' approach to trade and international affairs. Trump defined American global interests in transactional terms and repeatedly called for allied countries, including Germany, Japan, Saudi Arabia, and South Korea, to compensate the US for helping protect their nations. President Trump repeatedly threatened to walk away from alliances that no longer seemed to be paying dividends, regardless of old friendships or cultural affinities. Trump's main foreign policy positions were to work with Russia; he believed he could do business with Putin. Trump spoke of the need to deal with China, who was manipulating her currency at the expense of US consumers. For Trump, dealing with China included re-looking at tariffs, intellectual property and bringing jobs back to American soil. NATO was obsolete and other multilateral institutes according to Trump were not working for the US as her allies were not picking up the tab. Trump presented himself as anti-establishment and someone who represented the true American populace who lost their jobs to China and who the political elite had neglected. His pitch was that he was part of the alternative right, who believed nationalism came before globalisation and American disengagement came before the needs of corporate Americas foreign profits. Trump proclaimed he would be different and end the countries ballooning national debt.

IS CHINA A CURRENCY MANIPULATOR?

President Trump declared an open trade war with China during his term in office, but even before becoming president, Trumps campaign position was to have China labelled a *"currency manipulator"* on his first day in office, during an election campaign when he also accused China of *"raping"* the US. China has been accused of suppressing the yuan to make her exports more competitive with US goods. In August 2019, the Trump administration officially named China as a *"currency manipulator"*. The US Treasury department defines currency manipulation as when countries deliberately influence the exchange rate between their currency and the US dollar to gain *"unfair competitive advantage in international trade"*. But in January 2020, President Trump reversed his decision when China had agreed to refrain from devaluing her currency as part of the phase one trade deal between both nations.

STRONG ARMING TRADE ALLIES

Once assuming office Trump followed through on his trade position that key US trade partners were ripping the US off. Trump held America's key trade partners hostage by threatening to leave regional and global trade blocs unless they were renegotiated.

At his first opportunity President Moon Jae-In of South Korea visited Trump at the White House and said there was no future without the US in the world where South Korea would survive. The US made her security contingent upon the renegotiation of the trade agreement; the South Korean president fell into line. Next up was Mexico, the nationalist Andrés Obrador didn't even go to Washington to renegotiate the trade deal, he sent his predecessor to Washington to come up with NAFTA 2. Obrador said he would ratify whatever NAFTA 2 would be.

Canada held out with the NAFTA renegotiations looking to get further privileges which were all wrapped up in the original NAFTA accord. America's chief negotiator called the Canadians and said the US has a bilateral deal with the Mexicans and the Canadians had 7 days to accept this, the Canadians caved within 6 days.

When President Trump levied steel tariffs upon Japan, Shinzo Abe of Japan visited Trump and caved into Trump's demands to renegotiate the trade deal. Trump renegotiated with the countries that made up 50% of US trade and has delivered what he promised from his election campaign on trade.



U-TURNS ON INTERNATIONAL ACCORDS

During his presidential campaign Donald Trump berated most of the international accords the US had joined. He criticised them for not furthering US interests and described them as liabilities for the US. Once he assumed office President Trump pulled the US out of the Paris Climate Accords, withdrew from the Trans-Pacific Partnership (TPP), reneged on the Iranian nuclear deal and withdraw from the INF nuclear treaty. He repeatedly questioned the purpose of NATO, calling it 'obsolete'. One issue that irked him was the other members were not pulling their weight and 'paying their bills'. But as he hosted NATO's secretary general at the White House in April 2018, the US president said the threat of terrorism had underlined the alliance's importance. *"I said it [NATO] was obsolete, It's no longer obsolete."* In July 2018, Trump reiterated his support at the NATO summit, but suggested the US might still leave if allies did not acquiesce to his budget demands. At the end of 2020, the US has not ditched NATO.

THE FRENEMY IN MOSCOW

Throughout Trump's term in office he has praised authoritarian leaders while alienating allies and rattling the post Second World War liberal order. His relationship with the Russian president, Vladimir Putin, continued to haunt him, exemplified by the summit in Helsinki in 2019 that led to cries of treason, even after special counsel Robert Mueller caught several criminals in Trump's orbit that cast a long shadow over the White House. The investigations into a Russia's connection to the Trump campaign cast a long shadow over Trump, eventually in August 2017; Trump signed into law the Countering America's Adversaries Through Sanctions Act (CAATSA), which imposed new sanctions on Russia. Trump attempted to breathe life into his "bromance" with Putin by advocating for Russia's membership to G7 at the G7 summit in 2019, he even shifted some blame for Russia's 2014 Crimea annexation to his predecessor President Barack Obama, saying Obama "*was pure and simply outsmarted.*" Despite this outreach Trump said the Nord Stream 2 gas pipeline from Russia to Germany, owned by Russia's Gazprom, could turn Germany into a "hostage of Russia."¹ President Trump's contradictory actions to lure Russia into a friendship, was constantly blocked by other departments and even the Senate and as a result his Russia policy has been a failure.



DO ELECTIONS MATTER?

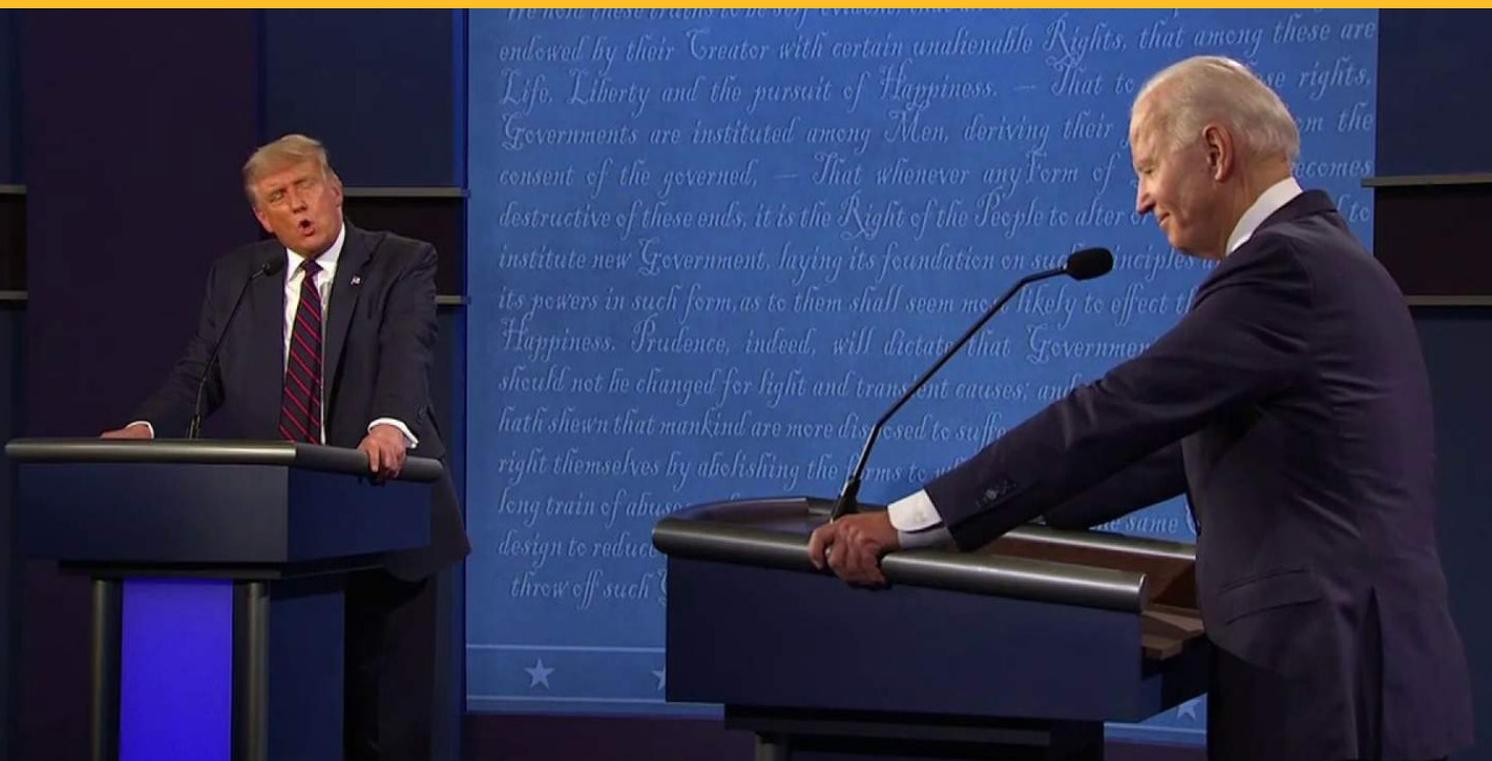
Democracy is one of the pillars of Western tradition. It's something the West has made a criterion to be considered part of the global community. But confidence in democracy is rock bottom today with between a quarter to a third of the public in many Western nations not bothering to vote. This is even more than the winning candidate on almost all occasions.

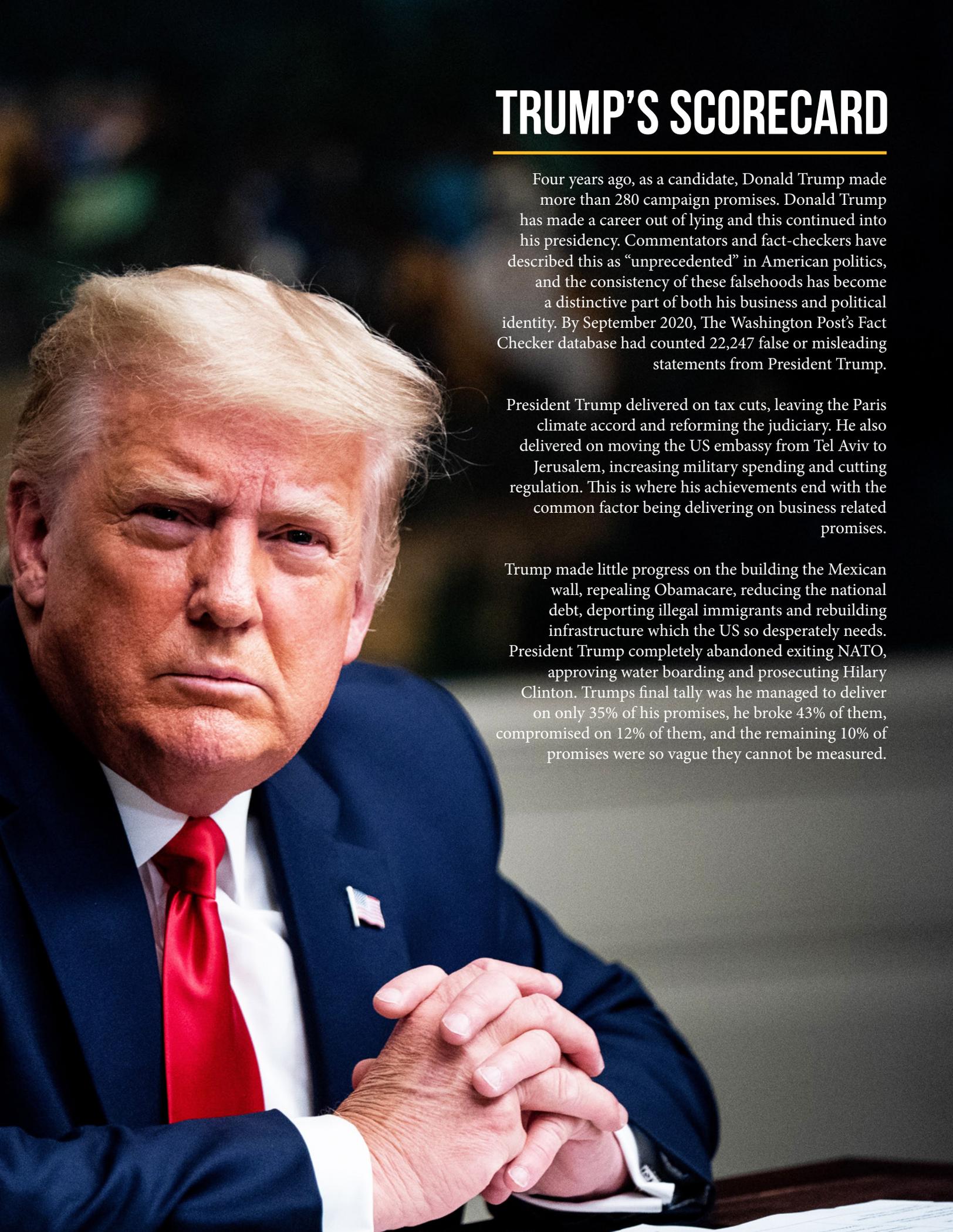
But elections are given way more importance than they really are. They are in truth a spectacle that grabs people's attention which makes them appear way more important than they really are. In elections one is not choosing an institution nor in the case of the US should the US cease to be a republic but who should administer the existing machinery and institutions in the country. What is at stake in elections is rather limited to who should govern what already exists. Institutions, constitutions and strategic direction outlive the election cycle which makes governments transitional who are not in position for very long. As a result, elected governments inherit lots of problems and challenges from the previous governments and those challenges will be passed onto the next government at the next election.

In systems where regular elections take place the rulers are unable to change the underlying strategic

direction of a nation. Presidents and Prime Ministers in such systems are able to influence matters such as budgets and priorities and tactical issues, but as they need to get re-elected, they have little time to focus on long-term strategy. This is usually left to elites (or establishments) in a nation or experts and civil servants who do not change based on the election cycle.

A characteristic of Western ruling systems is that only some power is in the hands of the elected leader and is shared with the wider government and institutions. Whilst the ruler will change in elections government and institutional leaders, managers and experts etc do not change and follow 'establishment' strategic direction. Rulers are able to employ their own unique approach in pursuing this strategic direction with tangible policies, but a change of complete strategic direction is virtually impossible as the ruler shares power and politicians very rarely even have much thinking on such issues. Whilst a ruler is a very public figure and makes people believe they have the power to elect and remove, all rulers are but one entity amongst a few who every four years transition to someone else, whilst the establishment or elite are not affected by such elections cycles.





TRUMP'S SCORECARD

Four years ago, as a candidate, Donald Trump made more than 280 campaign promises. Donald Trump has made a career out of lying and this continued into his presidency. Commentators and fact-checkers have described this as “unprecedented” in American politics, and the consistency of these falsehoods has become a distinctive part of both his business and political identity. By September 2020, The Washington Post’s Fact Checker database had counted 22,247 false or misleading statements from President Trump.

President Trump delivered on tax cuts, leaving the Paris climate accord and reforming the judiciary. He also delivered on moving the US embassy from Tel Aviv to Jerusalem, increasing military spending and cutting regulation. This is where his achievements end with the common factor being delivering on business related promises.

Trump made little progress on the building the Mexican wall, repealing Obamacare, reducing the national debt, deporting illegal immigrants and rebuilding infrastructure which the US so desperately needs. President Trump completely abandoned exiting NATO, approving water boarding and prosecuting Hilary Clinton. Trumps final tally was he managed to deliver on only 35% of his promises, he broke 43% of them, compromised on 12% of them, and the remaining 10% of promises were so vague they cannot be measured.

The Trump Doctrine ?



It's difficult to give President Trump a label or even a doctrine because he has never held public office. Trump is also a mercurial liar of the highest order. He has a loose relationship with facts. Because Trump flip-flops so much one has to rely upon his behaviour and instincts to ascertain his world-view.

1. Zero-sum Transactionalism

President Trump criticised US long-term alliances even more than his enemies. Trump has argued the US has been ripped-off and other nations need to pay their way. The murder of journalist Jamal Khashoggi saw this on full display when Trump said Saudi buys US arms which helps US jobs so he would not be taking any action against the murder.

2. Raw Nationalism and Militarism

President Trump has constantly talked about America first. His worldview has not been composed of values but of nationalism and this backed up by a strong military. Despite his claims of bringing US troops back home, Trump approved a larger defence budget than his predecessor and increased the overall size of the US military.

3. Honour, Status and Respect

Trump has shown he has a very grandiose sense of himself and his standing relative to others is so inflated it rarely stands up with reality. As a result, he constantly feels undervalued. Respect and reputation has been a constant theme in the Trump presidency. In press conferences he held up letters from Kim Jong Un. After deriding Saudi Arabia, Trump's first visit was to the Kingdom as president and he was lavished with pomp and flair.

4. Authoritarianism

Trump has constantly exhibited authoritarian tendencies he has equated personal loyalty to patriotism and regards disloyalty as treasonous. Trump criticised numerous congressional hearings and individuals who opened investigations into his government as traitors.

A Weaker US?

Donald Trump ran a whole presidential campaign back in 2016 on the US was in decline due to the establishment who dominated US politics and due to the Obama regime that has weakened America's global position as well as the world ripping the US off. The wars of Iraq and Afghanistan has weakened the US position due to the arrogance it entered into these conflicts. The trampling over values such as Human Rights, Global Liberal Order, Free Markets and Rule of Law hurt America's soft power well before Trump even took office. The Neoconservatives (Neocons) began the process where many around the world no longer saw the US as the indispensable nation that protected western values.

Around the world Trump has come to represent everything that is wrong with the US. The longer he was in power the more confidence many across the world lost in the US. Disappointed with America's management of world affairs, allies have taken stabs at America. President Macron of France warned, *"Europe can no longer rely on the US to provide its security"*² and reiterated that Europe must guarantee her own security. Germany, long America's ally in Europe expressed reservations about America's commitment to Europe. Merkel talked at length about *"creating a real, true European army."*³ Europe's embroilment over trade relations with the US illustrates the demise of the transatlantic relationship.

The eruption of global protests against globalisation and liberal trade practices is another blow to America's global primacy. The tidal wave of unrest continues today in the form of France's yellow vest movement, the rise of the far right in the West. Dissatisfaction amongst the populations of the West and the global commons against America's world order is at an all-time high and is yet to reach a crescendo.

Domestically, Trump's rule has been much like his foreign policy, Trump was a polarising figure, who regularly practiced partisan politics and brought to a halt a number of important pieces of legislation. Trump also provoked questions of character, ethics and temperament. His White House has been a vortex of chaos with a record turnover of staff. He surrounded himself with ageing white men and members of his own family, inviting accusations of corruption. He drew moral equivalence between white nationalists and anti-fascist protesters after deadly violence

in Charlottesville and Virginia and appears to reserve particular venom for women and people of colour. He has attacked the media as 'the enemy of the people' while chalking up thousands of false statements. His Twitter account brims with insults, lies and vulgarity.

Donald Trump is no ideologue. He's neither a globalist nor a nationalist. He was in reality a narcissist and a crowd pleaser. Everything he did was for his own self-gratification, he cared little for ideological agendas and constantly chopped and changed his views to get higher media ratings. He was never a team player and always worked on playing the crowd. At the same time, he hates any criticism. COVID-19 exposed him when the economy was in freefall and over 52 million Americans lost their jobs. To deal with this President Trump made race his electoral campaign strategy.

The neocons damaged America's global standing when they arrogantly pursued wars based on lies in order to further their own agenda. Trump has taken this a step further by making all relations and policy transactional, he doesn't even hide this and prides himself on it. Values, ideals, ideology play no role in the Trump's regime, these are mere luxuries.

The damage Trump has done to the US is so deep that it will be difficult for the US to reverse this. Trump cared little about global perceptions of the US even amongst American allies. Trump's reversal of the nation's trade deals saw his arrogance on full display as he held world leader's hostage. What Trump's America has shown is, that at a drop of a hat the US can abandon you and even treat you like an enemy, something the Kurds of Syria found out the hard way. After four years as president, US soft power has never been weaker.



AMERICAN GLOBAL DISENGAGEMENT IN PERSPECTIVE

Donald Trump for long presented himself as someone who wanted to roll back America's military presence in the world. He criticised allies who were not contributing enough for US military bases in their countries and Trump's negotiations to end the Afghan war and withdrawal of 12,000 troops from Germany are cited as evidence of this posture. Alongside this President Trump has boasted of his record levels of military spending and in Syria, Libya and elsewhere the US President has expanded America's military footprint. Is the US really disengaging from the world?

Being the global superpower requires a huge global military presence and for this the US has over 800 military bases around the world. Due to this the US is constantly at war, whether covert or with congressional support. This creates a big problem for the US. Dead and maimed Americans being sent back in body bags undermine popular support for the American imperial project. Successive US administrations have battled with

eliminating to twwhat is possible, American battlefield casualties.

To achieve this, the US has expanded the use of US Special Forces, who mostly direct proxy soldiers and engage in targeted assassinations and the elimination of high-value targets. The US has come to work more and more with proxy forces that do most of the fighting in a particular theatre and also take the bulk of the casualties. We have also seen the major expansion of aerial bombardment and drones. In the battle against ISIS the US suffered s small number of casualties but over 10,000 Kurdish fighters were killed in Iraq in the conflict. A similar number of Iraqi Shi'ah, who at the time were American proxies, also lost their lives.

The deployment of regular US soldiers in these and similar conflicts has been gradually decreasing. But this is not a rolling back of American global presence. The increased reliance on proxies has led to an inordinate





increase in the use of aerial bombardment and drone operations. The number of drone strikes against Al Shabaab in Somalia has tripled since Trump succeeded Obama as Commander in Chief. During his presidency, George W Bush, on average, dropped 24 bombs a day; Obama dropped 34 bombs a day, while Trump dropped 121 bombs a day. In 2019 under Trump the US military dropped eight times as many bombs on Afghanistan as Obama did in 2015. These facts go against claims of Trump reining in the US military.

Not surprisingly, this increase in aerial bombardment has been accompanied by an increase in civilian deaths. In 2019, according to the United Nations, the US killed more civilians in Afghanistan than the Taliban did.⁴ This increase in casualties has been facilitated in large part by a combination of increased reliance on aerial bombardment, relaxed rules of engagement, secrecy, and pardons of convicted war criminals. All these developments promote an environment of murderous impunity and lack of accountability throughout the military and expand the list of US enemies.

During the fog of the impeachment hearings, the US Navy deployed a Trident missile submarine, the USS Tennessee, armed with “low-yield” W76-2 nuclear warhead. While Pentagon war planners claim the

development and deployment of these weapons is a response to similar Russian developments and a deterrent to that country, the reality is that they would most likely be used against self-defined security threats emanating from non-nuclear countries with no ability to effectively retaliate against the US. This was made clear from the most recent Nuclear Posture Review.⁵ This deployment of submarine based low-yield nuclear weapons comes despite the fact that America’s current supply of low-yield nuclear artillery shells and bombs are already deliverable by a wide variety of aircraft and missiles. This is one of the many ways Trump expanded the destructive capacity of US war machine.

Trump did not start the militaristic policies he perpetuated with great gusto. He also, did little to alter those policies in ways that would allow anyone to entertain the illusion of him somehow being anti-war or in any way less militaristic than his predecessors. Trump has glorified the military with rhetoric, symbols, and ceremonies, such as his proposed Kremlin-style military parade,⁶ in ways that create an atmosphere conducive to further entrenching militarism as an inextricable facet of American life and society.

The US is not disengaging from global issues, it is not reducing but reorienting her military machine, whose purpose remains the same - to support the US imperial project.

ASSESSING TRUMP'S TRADE WAR WITH CHINA

Trump stood at an acrimonious position as he lost the 2020 presidential election. Four years ago, Trump explained: *"We cannot continue to allow China to rape our country. It's the greatest theft in the history of the world." The solution: "When we are down \$100b with a certain country and they get cute, don't trade any more – we win big. It's easy."* This was the Trump policy on China in his presidential campaign. On the eve of the first sanctions in 2018 he outlined: *"Trade wars are good, and easy to win."*⁷

In 2018 Trump began setting tariffs and other trade barriers on China with the goal of forcing it to make changes to what Trump said were 'unfair trade practices.' At the beginning of 2019 Trump had already imposed 10% tariffs on \$250 billion of trade between the two nations. By the end of 2019 the tariffs on \$200 billion worth of trade had increased to 25%. Two years of the trade negotiation were marked by multiple rounds of talks, truces and tariff escalations, the US and China agreed in 2019 to a phase-one trade deal.

The evidence from the past two years presents a rather different image for the US president. As tariffs have been laid on hundreds of billions of dollars' worth of Chinese exports, with China retaliating in kind, the price paid by US companies and consumers has been high, and may have long-term consequences. The US-based Trade Partnership noted in its August 2020 report that US goods exports had been rising steadily from October 2016 to the end of 2018, with the 12-month average rising from \$120 billion to \$130 billion, before falling back to around \$120 billion a month.

"As tariffs have been laid on hundreds of billions of dollars' worth of Chinese exports, with China retaliating in kind, the price paid by US companies and consumers has been high, and may have long-term consequences"

They reported that aerospace exports fell 49% in the year to July 2019 and pharmaceuticals exports were down 15%. Only two export markets showed gains: Germany (10.2%) and China (3.9%). The US trade lobby group 'Tariffs Hurt the Heartland' complained that US exports impacted by tariff retaliation have fallen by 37% and have shown no signs of recovery even where tariffs have now been lifted.



In a paper from the Brookings Institute in August 2020 they noted the US-China trade war and Phase-One trade deal *"have significantly hurt the American economy without solving the underlying economic concerns that the trade war was meant to resolve."*⁸ The paper asks if the economic costs paid were worth the billions of dollars lost in value, the hundreds of thousands of jobs lost, the stagnation of US manufacturing, and the devastating effects of the trade war on American farmers.

The Tax Foundation calculates that the US Treasury has gathered \$80 billion since the tariff war started, “one of the largest tax increases in decades,” and would double this sum if threatened tariffs were acted upon. In September 2019, Moody’s Analytics estimated that 300,000 jobs had been lost to the trade war.¹⁰ In a research report in May 2020 from the Federal Reserve Bank of New York and Columbia University discovered that US companies had seen their share values cut by \$1.7 trillion because of the tariffs imposed on imports from China.¹¹ The US Chamber of Commerce went further and noted that more than half of the US’ 50 states had suffered “extremely significant damage” from the tariff war: “Simply put, tariffs are a tax on American consumers and businesses. Tariffs are the wrong

*approach to address unfair trade practices.*¹²

After two years of the trade war China’s overall trade surplus remains robust – down from a peak of \$594 billion in 2015 to a more modest \$422 billion in 2019. Meanwhile, the US trade deficit with China has remained stubbornly around \$350 billion and the US’ overall trade deficit around \$620 billion a year. Trump’s trade war has proven impossible to win.





The assassination of Qasem Soleimani in January 2020 showed the US is not leaving the Middle East despite all the rhetoric to the contrary. In the 21st century the US has been engaged in direct wars in the region and under the Trump administration she has worked to normalise the Zionist entity in the region including moving her embassy to Jerusalem. Despite all her claims of disengaging from the region the US remains heavily involved in the region's issues, showing the US sees the region as a strategic area it must remain involved in for her global ambitions. The strategic importance of the Middle East can be seen from several perspectives.

Geographically the Middle East sits on the crossroads of three continents – Asia, Africa and Europe. Some of the world's earliest civilisations originated in the region and it was also the Southern belt in the ideological struggle between the Soviet Union and the Capitalist West. It was the first line of defence against communist attempts to expand into Africa. The Middle East is surrounded by oceans and waterways as well as land routes which throughout history played very important roles. The Suez Canal remains the shortest route from West to East, without this the world's ships would incur extra fuel costs, as well as extra days at sea as they would need to go around Africa. The Straits of Hormuz (the most important oil transit channel in the world), Bab el-Mandab and the Suez Canal are the routes for over 40% of the world's oil. The US Navy provides security to this important geographical territory, routes and supply lines. This gives the US significant power to shape the world and those who rely on trade, energy and transit through this region.

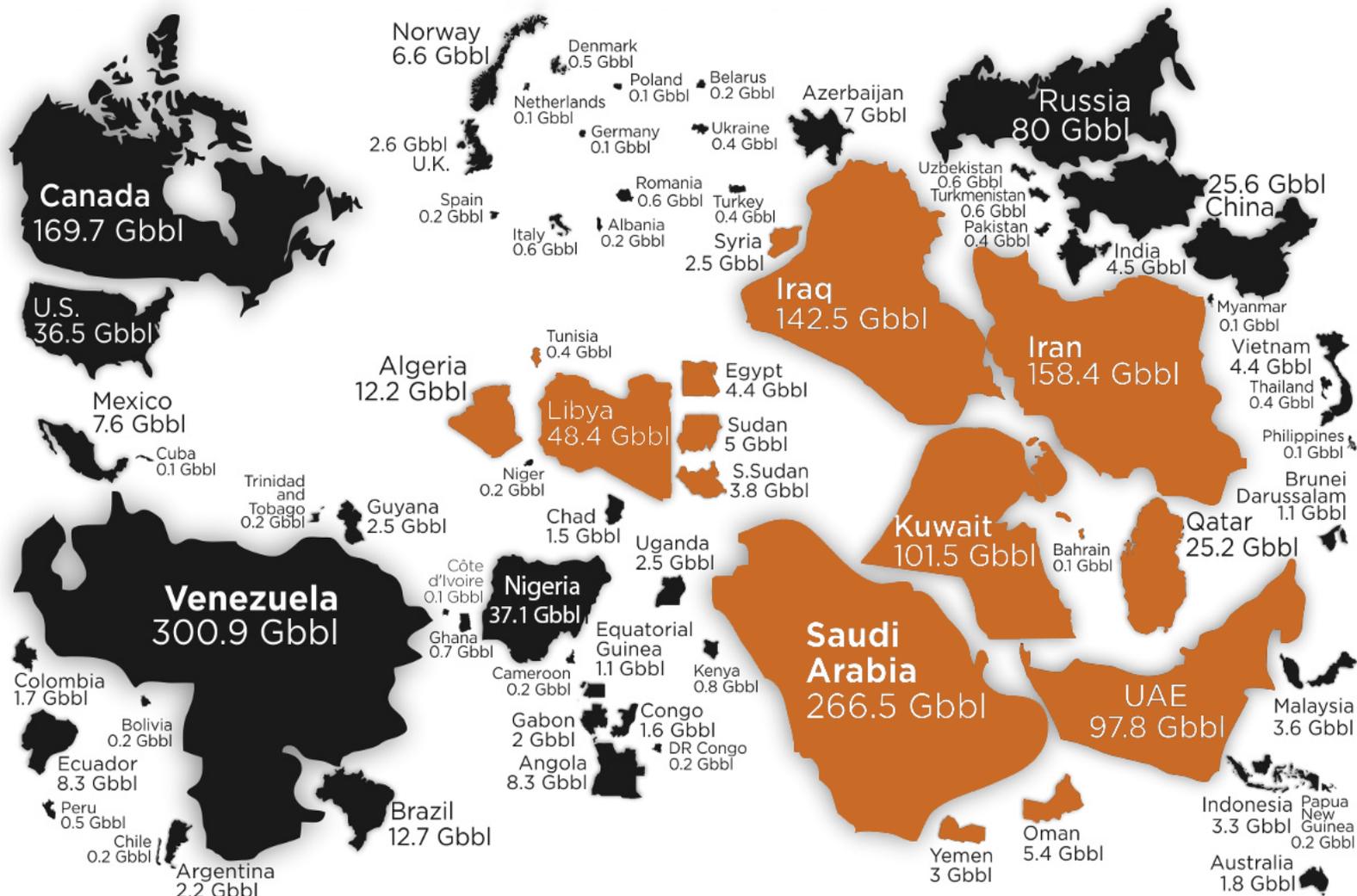


The Middle East has been blessed with mineral wealth, which the world economy is dependent upon. This was something the US recognised very early and what led to the infamous 1945 meeting between US President Franklin D. Roosevelt and the Saudi King Abdul Aziz ibn Saud aboard the USS Quincy. The US State Department described the Middle East in 1944 as: *“the oil resources constitute a stupendous source of strategic power, and one of the greatest material prizes in world history.”*¹³ Since World War Two (WW2), the Middle East has emerged as the world’s most important source of energy and the key to the stability of global economy. Today the Middle East not only possesses the world’s largest oil and gas fields but it also produces 30% of the world’s oil and 16% of the world’s natural gas. The Middle East possesses over 65% of the globe’s proven oil reserves and 45% of the globe’s natural gas. The Middle East is also the preferred choice for global oil since her extraction is relatively simple and its refining is cheaper due to it being the light ‘sweet’ type of crude oil.

The Middle East controls a significant portion of the hydrocarbons that are yet to be discovered. According to the US Geological Survey over 50% of the undiscovered reserves of oil and 30% of gas are concentrated in the region primarily in Saudi Arabia, Iran, Iraq, Kuwait, UAE and Libya.¹⁴

The concentration of so much of the world’s hydrocarbons in the region and with the global economy relying upon it, whoever controls the Middle East, they would possess the world’s economic lever. Despite the US reliance upon oil, it has reduced her dependency on Middle Eastern oil from 25% in 2008 to today it only imports 13% of her fossil needs from the region.¹⁵ But with so much mineral wealth in the Middle East, the US cannot allow anyone else to dominate the region, who could challenge US superiority.

Global Crude Reserves (billion Barrels)





Islam, as an alternative civilisation represents a threat for the US and the wider West. Islam originated from the Middle East and for centuries Christendom entered into a protracted battle with the Muslim world. Whilst the Muslim world was eventually defeated, the decline of the Ottomans in the 19th century gave the Europeans the opportunity to end the threat from the East, who possessed an alternative way of life. Artificial nations were created to divide the Middle East into fake groupings in the hope that Islam would cease to exist and never be a menace to the West. Europe put in place monarchs and autocrats to maintain this artificial architecture and a Zionist entity was also created to act as a forward base in the region. After WWII and with the demise of Britain and France, the US inherited the region and maintained this architecture. The demise of communism in 1991 brought back into the open the direct clash of civilisations. Willy Claes, the then NATO's Secretary General, confirmed that *"Islamic fundamentalism is at least as dangerous as communism was,"* he also confirmed: *"The Alliance has placed Islam as a target for its hostility in place of the Soviet Union."*¹⁶ Successive National Intelligence Estimates (NIE) have recognised Islam as the number one long term threat to not just US dominance, but to western civilisation itself. Muslims uniting on Islam as a system of governance is the worst case scenario for the US and would spell disaster

The US has primarily used her influence over the regions rulers to maintain control of the region. This was not always guaranteed as the US emerged the global superpower after WWII. The US strategy focused on two parts in the 1950s:

1. Contain communist expansion, by using the Middle East as a front to contain the spread of communism
2. Remove France and Britain from the region as their interests were not compatible with US aims.

The US came to support those nations with military equipment, intelligence and economic aid who sided with it against the Soviet Union. The Zionist entity and Iran came to represent the key nations in the region for this. The US dealt with European influence by covertly supporting soldiers in the regions armies to undertake coups against the European monarchies and thus reduce European influence. The first of these were in Syria in 1948 when the CIA backed Husni Zaim who was able to take power, but he only lasted a few months when a counter coup was done against him. In 1952 the Free Officers led by Gamal Abdul Nasser overthrew the British supported monarchy, which was a pivotal moment in the region as Nasser espoused anti-Western rhetoric and pro-Soviet slogans but in reality he chased down the European backed leaders in the region. Miles Copeland the CIA operative published classified information in his memoirs in 1989 titled *"The Game Player: Confessions of the CIA's Original Political Operative"*, about how the CIA supported the coup that ousted the British puppet King Farouk. Nasser was able to bring Syria over to the US and these two nations became the vanguard of the US in the region.

Then in 1979 the US hit the jackpot by bringing the Clerics to power in Iran and removing the Shah – Mohammad Reza Pahlavi, who challenged America in the region.¹⁷ The reign of King Fahd beginning in 1982 in Saudi Arabia brought the Saudi monarchy under US influence. By the 1990s the Gulf nations remained the only influential rulers beyond the US who were supported by the UK and followed British policy in the region. The US looked to take over Iraq a few times as it was the key British asset but struggled to achieve her goals there. In 1968 when the Ba'athists led by the General al-Bakr and his deputy Saddam Hussein undertook a bloodless coup. The Ba'ath party regime of 1968 was immediately welcomed by Britain. It took the 1991 Iraq invasion for the US to begin the process of taking over the Gulf. Whilst Egypt, Syria and Iraq were the key nations for the US to consolidate her position, today the US sees Saudi and the

Gulf nations as key tools for her agenda in the region. The Zionist entity plays the role of balancing all the nations and this balance of power strategy represents the US strategy of maintaining the region for her agenda.

The Middle East possesses the world's most strategic resources and it is dominated by Muslims who believe in a way of life which is political in nature, thus any unity upon this belief would see the US losing this strategic region. This is why the US since WWII backed autocrats and dictators to ensure unity amongst the populace never takes place. As the people in the region are culturally

different to the west, the US and the West never took the chance of allowing completely free elections, as there was always the possibility the people would elect a regime in line with her values, but not in line with US interests. The Arab Spring confirmed to the US that after 100 years what the people want and what the rulers want are poles apart. The US long supported and relied upon the regions autocrats to suppress the masses. The strategic importance of the Middle East therefore remains of key concern for successive US regimes, for these reasons.



CONCLUSIONS

The US has made progress in her global ambitions but divisions at home presents a worrying trend for the long term. The US is successfully rolling back the last remaining places Europe maintains some influence and on the present trajectory it seems Europe lacks the capabilities to change this. The divisions within the US are more than populism versus establishment figures. The American Empire, the number of troops abroad and how much should be spent abroad and not domestically is a major point of contention. The US is looking more and more like the Roman Empire that became overstretched in imperial adventures. If Rome is burning, this will catch up with everything else and this is where the US currently is. Donald Trump has accelerated what was already a growing problem; the US will need to potentially decide whether she wants an empire or a republic as both are unsustainable.

2021



US Global Image

Since Trump took office as President in 2016, the image of the US has suffered across the globe and her reputation has declined further among many key allies and partners. Across several countries, the share of the public with a favourable view of the US has reached her lowest in the last two decades. Being seen as one of the global superpowers and having influence with different regions of the globe, this has now weakened over the last few decades and especially with how the US handles the coronavirus pandemic, it has declined further. With events in relation to Black Lives Matter (BLM), as well as how the US has been dealing with her neighbouring country – Mexico, the US will need to take a good look at how the world perceives it if it aims to keep her image as a world superpower.

Domestic Political Polarisation

For the US to be effective globally it needs a level of stability and unity domestically. But President Trump and many congress representatives across the political spectrum continue to use their position to seek their own personal interests and with Trump becoming president he has gone into overdrive. Trump's impeachment trial was based upon him withholding US aid to a foreign leader to pressure him to provide dirt on his competitor. This is how low the US president stooped. This polarisation will at some point lead to mismanagement of America's global position, especially when officials see their career for themselves rather than for the nation. The American system faces her most significant challenge in her history.

A Crisis of Global Leadership

The US under Trump has been placing her economic interests first, which previous administrations have also done, but now there is a lack of confidence that the values and ideology of the US use to triumph, and a belief that massive military superiority is needed "to prevent enemy success." What does US global leadership now mean? What should the world buy into? The next US president will have to come up with something if it wants the US to regain her global leadership.

America's Top Priorities

Containing the Dragon

China is now officially the regional power on the ascent that is challenging the US position in South-East Asia. After the Trump administration, on the substantive issues nothing has really been resolved. Joe Biden will now inherit the challenge to deal with the rising dragon

Repairing America's Damaged Global Image

Since Trump took office as President in 2016, the image of the US has suffered across the globe and its reputation has declined further among many key allies and partners. The new US president will need to take a good look at how

A Crisis of Global Leadership

The US vision of its place in the world has changed dramatically. The US under Trump has been placing its economic interests first, which previous administrations have also done, but now there is a lack of confidence that the values and ideology of the US will automatically triumph. What does US global leadership now mean? What should the world buy into? The next US president will have to come up with something if it wants to regain its global leadership.

The Future of Tech

Whilst the US has been the world leader in tech innovation, this position is now coming under threat from China, especially in the next generation of technologies. Whoever is the US president forging a comprehensive strategy against China's tech is only becoming more important as time goes by.

Overstretched Empire

The US now faces the problem all empires face of having to be present in all places at the same time to maintain what it has colonised. This all-costs money, money that cannot then be used to fund education, infrastructure or health. US officials are now admitting that their country is overstretched having to deal with so many domestic issues and international commitments.

Maintaining US Alliances & Partnerships

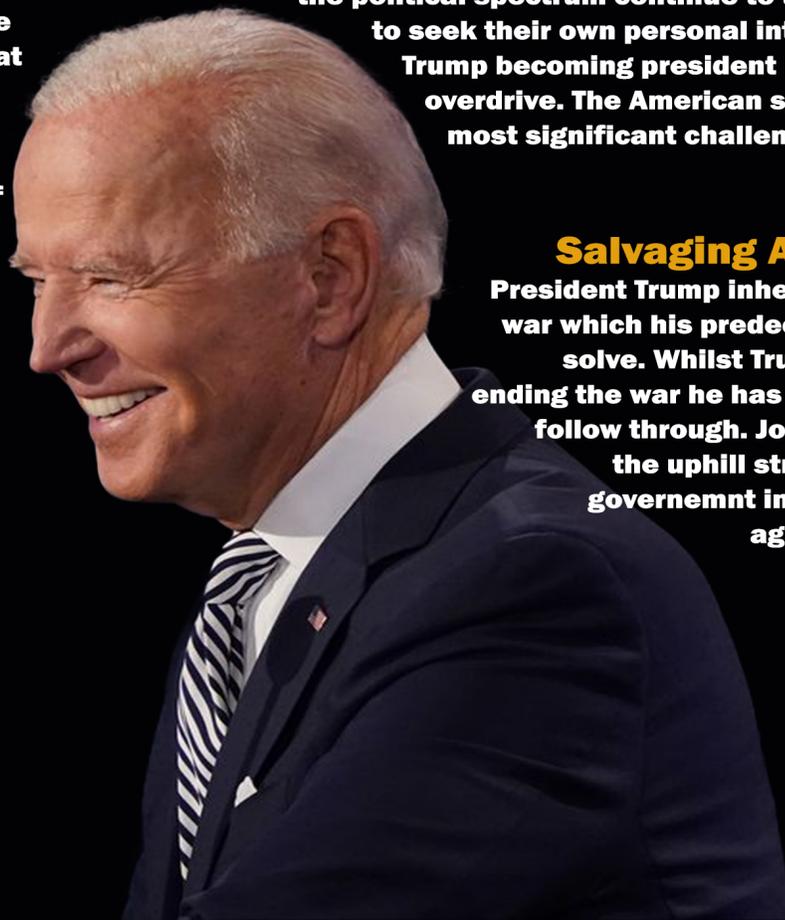
The Trump administration's policies have harmed the alliances and friendships the US carefully developed over the decades and has been one of its greatest assets over the last 70 years. Trumps 'America first,' mantra has left a vacuum which China is quickly filling.

Domestic Political Polarisation

For the US to be effective globally it needs a level of stability and unity domestically. But President Trump and many congressmen and women across the political spectrum continue to use their position to seek their own personal interests and with Trump becoming president he has gone into overdrive. The American system faces its most significant challenge in its history.

Salvaging Afghanistan

President Trump inherited the Afghan war which his predecessors failed to solve. Whilst Trump spoke about ending the war he has since refused to follow through. Joe Biden will face the uphill struggle where the government in Kabul struggles against the Taliban





RUSSIA

2020 revealed the many challenges Russia is facing. From the future of her long-term leader, with troubles in the buffer regions and with the future of Russia's hydrocarbons looking uncertain. Russia continues to build her unconventional capabilities as her conventional capabilities lag the other world powers

THE FUTURE OF PUTIN



Russian President Vladimir Putin's approval rating dropped to 59% in April 2020, marking Putin's lowest-ever rating since rising to power in 1999. Whilst any western leader would give an arm and a leg for such ratings, as the Russian leader this would be a cause for concern in light of the COVID pandemic. The credibility of ratings is no doubt something to take into consideration, but the approval rating does bring to the forefront the unique position of Vladimir Putin as Russia's leader.

Vladimir Putin took over a Russia in a period that is vastly different to today. The decade after the collapse of the Soviet Union saw the nation in chaos as the mafia, oligarchs and Western leaning technocrats battled for the nation. Russia was in chaos in the 1990s. Today Putin has restored the Kremlin's power and authority, dealt with the oligarchs and moved the security class to the top of the nation's hierarchy, once again. He reduced Western influence over Russia by cracking down on foreign-funded civil

society organisations, cracked down upon the media and sent Western advisors back home. Today Russia has the reputation of a power that can influence elections in the US and save leaders such as Venezuela's Nicolás Maduro from being overthrown.

After 21 years at the top of Russia's hierarchy, Putin faces two key challenges. The first is the economy, Russia has failed to modernise its economy that still depends on energy. As a result it still has a stagnant economy, low investment and lacks of new technology. Russia is today in many ways in the same position the Soviet Union was in the 1980s. The fate of the last Russian leader to undertake such a task, Soviet leader Mikhail Gorbachev ended in chaos, with Gorbachev failing and losing power as well as losing Russia.

The second challenge is the future of Russia politically and how Putin will leave the political

The Russian presidency is a super-presidential system that grants the holder substantial executive authority beyond the role as head of state and commander of the armed forces. This includes the right to directly select and appoint the heads of the foreign, defence, interior and emergency situation ministries. The president can also appoint and dismiss the prime minister, with the consent of the State Duma, Russia's lower house. The president also chairs the national security and state councils. The president can also govern by decree in some circumstances



stage. With the absence of laws and a defines transition process no Russian leader has relinquished power freely. The next presidential election is due in 2024 when Putin will be 71.

Constitutional amendments introduced and passed in 2020 was an attempt to define a process. In March 2020 Russia's legislature approved an amendment that would reset the count of presidential terms served prior to the introduction of the new constitution. The change will allow Putin to stand for re-election in the 2024 presidential elections, increasing his ability to serve two additional six-year terms. The amendments were approved in a referendum on 1 July 2020 and became law three days later. The amendments keep Putin in power for longer, but it also puts in place new limitations and balances between the different governing bodies of Russia and reduces the executive power of Putin's eventual successor. These amendments include a stricter observation of presidential term limits - future Russian presidents will only be able to serve two terms in total in their lifetime. They also shift the responsibility for appointing certain cabinet positions — primarily those dealing with Russia's economy — to the Russian State Duma rather than the presidency, which will maintain the right to appoint security and foreign policy-related ministries. This separation of responsibilities will force the different branches of government to cooperate to access Russia's resources of power.

By re-setting the two-term limit, Putin with no clear designated successor, will likely be in power up to 2030 and 2036, if no successor is found. This gives Putin the time to foster stability in Russia's state-led economy.

Going forward Russia faces significant demographic, economic and geopolitical challenges. Russia will by the 2030s begin experiencing the next contraction of her population, which will further place pressure on social spending and the country's economic potential. Around the same time, Russia's energy production is also expected to have dropped significantly. Russia's Ministry of Energy is projecting as much as a 40% drop in production by 2035, which will severely impact Russia's revenues.

In Russia's chaotic leadership transitions Russia's elite have started the process of the post-Putin era, but are still leaving sufficient time to put this in place and deal with the challenges that could arise. After two decades in power Putin who led Russia through one of her most turbulent periods is trying to ensure a similar turbulent period doesn't take place when he steps down.





In 2020 Russia faced significant challenges in the nations on her borders and former Soviet Republics as national election results led many to take to the streets. Moscow still remembers when the Colour Revolutions took place where pro-Russian leaders were overthrown by Western backed NGO's.

In Belarus in August 2020 long term President Alexander Lukashenko was re-elected in what many described as an illegitimate election. Protests against the results still continued at the end of 2020. Belarus shares a border with Russia and is as important as Ukraine which Russia lost in 2015. If the Belarus regime is replaced with someone who is not pro-Russian, it would move NATO, literally on Russia's border turning this incident in a major crisis.

In Kyrgyzstan, parliamentary elections resulted in claims of fraud and large demonstrations from October 2020. Kyrgyzstan's president, Sooronbay Jeenbekov planned to make constitutional amendments that would allow him to continue as president as the constitution restricted presidents to one term of six years. The parliamentary elections of 4 October 2020 saw a landslide victory for pro-government parties, and this led to the opposition to take to the streets. Angry mobs ransacked the parliament and seized the presidential office. They stormed the prisons in the capital Bishkek and occupied the national security headquarters. The former president Almazbek Atambayev was even freed from prison alongside many others serving terms in prison. The protests were so sweeping that the state and security officials disappeared and only issued statements over the internet.

Kyrgyzstan is in between Russia and China and Russia has a military base there. Kyrgyzstan is a buffer nation between Russia and China. The real worry and challenge for Moscow is some of Kyrgyzstan's opposition have links

with the US, who via the George Soros Foundation spend money on democracy promotion. This represents a big threat on Russia's buffers and could open the route for the US to interfere in a country that Russia needs for strategic purposes.

In October 2020 in the Caucasus clashes broke out between Azerbaijan and Armenia over Nagorno-Karabakh, a disputed region governed by ethnic Armenians inside Azerbaijan. Azerbaijan scored a stunning victory against Armenia with significant Turkish help, military equipment and guidance. Whilst a low-level battle has been taking place consistently since the ceasefire in 1994, on this occasion regional powers also got involved. Russia has for long armed and supported Armenia, whilst Turkey has for long backed Azerbaijan. By November 2020 Armenia was on the verge of defeat as the key city of Shusha (known as Shushi in Armenia), the second-biggest city in the enclave, had been taken by Azeri forces. Armenian Prime Minister Nikol Pashinyan described the deal he had no choice of signing as "unspeakably painful" in an emotional Facebook post. Russia agreed to replace Armenian forces with her own peacekeepers and give back areas ethnic Armenians had occupied since 1994.

Russia lost Ukraine to Western leaning politicians back in 2015, despite occupying parts of South East Ukraine and the Crimea that conflict has turned onto a frozen one now and represents a major strategic issue for Russia as it means the West has moved right up to Russian borders. Belarus, Ukraine, Kyrgyzstan and Armenia and the Caucasus are a million times more important to Russia than Syria, Libya and Latin America will ever be. Russia will need to maintain her position in these nations transitioning to new parties who may not be pro-Moscow and at the same time ensure the West doesn't use the events to overturn Russia's influence in the nations in question.

THE GEOPOLITICS OF RUSSIA'S BORDERLANDS

Russia's most defining characteristic is her indefensibility. Unlike most powerful countries, Russia's core region, Muscovy, has no barriers to protect it and thus has been invaded several times. In fact, since the 15th century Russia, has been invaded at least once every century. Russian history can be summed up as expanding her geographic territory in order to establish a strategic depth between the Russian core and the countless enemies surrounding it. Whoever the leader has been in Moscow they have all attempted to push Russia's borders as far as possible to natural barriers. Russian history has been one of expanding to the Carpathian Mountains (across Ukraine and Moldova), the Caucasus Mountains (past Georgia and into Armenia) and the Tian Shan on the far side of Central Asia.

The Northern European Plain has always been a major hole as this flat expanse of land from northern France, through Germany, Poland all the way to Moscow has been a major thoroughfare of western encroachment into

Russia. Russia has always tried to overcome this by expanding and claiming as much territory to the West of Moscow. Russia in the past occupied the Baltic states, Belarus, Poland and even Germany. When Russia could not extend her national borders it established buffer zones between Russia's core and other population centres, deep in Europe. The sheer distance needed to conquer Moscow is what ultimately led to the failure of Napoleon, Kaiser Wilhelm II and Hitler. At the height of the Soviet Union, Moscow enjoyed an extensive buffer zone that stretched well into Central Europe, the Caspian and East Asia. With the collapse of the Soviet Union, Russia lost most of these territories and has been on the defensive ever since. In 1989 St. Petersburg was about 1,000 miles from NATO troops. Until recently, that distance was about 200 miles and continues to drop. Kyrgyzstan, Belarus and Armenia are for Russia the recent pieces in an age-old struggle.



ARCTIC AMBITIONS

In August 2020 Russian President Vladimir Putin signed an order to establish a special Security Council Commission on the Arctic. Russia also produced a 15-year plan for Arctic development. The Arctic is buried under ice for most of the year and this makes the region virtually inaccessible. But that inaccessibility is changing now. Navigation along the Northern Sea Route now starts earlier in the year, lasts longer and is even reaching the point that several passages have no need for icebreakers. This now means for the first time in Russian history the region becomes economically significant and it now offers the prospect of an extended Russian seafaring frontier as well as a shorter maritime route between her east and west coasts. This new frontier offers Russia new opportunities.

For most of Russia history the Arctic has been a liability, it was a natural border that hindered Russian expansion. Russia historically has always worked to extend her national borders in order to provide strategic depth to European Russia, which is the heartland of the country. When this was achieved under the Tsars Russia sought to break out of her continental heartland, pushing for sea access on the Pacific, seeking to expand her frontiers in the Baltic, and pressing south toward India and the Middle East – this became the Great Game between the Britain Empire and Russia.

This is now changing as the Arctic is opening a new frontier for Russia. For Russia new resources will become accessible and this new frontier allows Russia to build military positions along the arctic coast in what will over time become a key global trade route. Russia now has greater access to the Arctic frontier, and it can reliably transport key commodities out of the Arctic.

Already, Russian LNG from the Arctic has shipped to India, and 2020 saw the first tanker shipment of Russian Arctic oil to China. Russia will need to develop infrastructure and invest in new equipment and technology to fully realise the dividends of this new frontier.

Russia has around 15,000 miles of Arctic coastline. The Russian Arctic accounts for more than 10% of Russia's GDP, 90% of Russian natural gas production and is a major contributor of strategic minerals. Over 40% of all the Arctic's oil and gas resources are located in Russian territory. For the moment the Arctic aspect of Russia's



GDP does not provide the needed resources to fund infrastructure and development needs. The collapse of the Soviet Union had a huge impact on the development of the Arctic. Production decreased, some mining centres and industrial settlements were completely abandoned, poverty and unemployment rose, and the reduction in northern benefits accelerated the outflow of the population from the region. Moscow will need to provide incentives for the arctic region until people return and the Arctic can become self-sufficient.

Challenges Lay Ahead

During the Soviet Union Moscow used to include “cost of cold,” wages in the Arctic, that were four times higher than in other regions of the Soviet Union. To stimulate labour inflows, Moscow today has introduced the “northern allowance,” a bonus added on to wages. Moscow is trying to attract skilled workers in other sectors besides energy to come to the Arctic areas. For example, Moscow promised a one-time bonus of up to 3 million rubles for medical workers.

To gain further support the Kremlin has considered creating an Arctic federal district. But this idea has faced opposition as the region is very much divided in terms of population and wealth. The indigenous population is dissatisfied with the activities of large Russian energy companies that often cause the destruction of their indigenous environment. The ruling United Russia party is also not strong in all the Arctic regions. The Kremlin tried to merge the Arkhangelsk Region with the Nenets Autonomous District in 2020, during the height of the country’s COVID-19 outbreak, but was forced to back down in the face of local protests. Without financial incentives and development, critical investment and specialists will not move to the region and this will put Russia at a disadvantage in the global race for influence in the Arctic.

The promise of the Arctic has attracted other countries that are now in direct competition with Russia over the potential benefits, including Norway, Iceland, Canada, Denmark, Sweden and the US. Even countries that do not directly border the Arctic are showing interest, since the proposed North Sea trade route would significantly reduce the delivery time between Asia and Europe. China is funding Russian Arctic resource extraction, but it is also carrying out her own energy exploration in Arctic waters and is exploring ways to bypass the Northern Sea Route. The opening Arctic seas have spurred Russia to re-strengthen her Arctic defences. Moscow has already begun to establish an Arctic fleet that will consist of

military bases, ports and year-round atomic icebreakers, which need ports and other infrastructure. New Russian naval development will be necessary including the design of ships. The longer coastline and increased maritime traffic require a robust observation and communications infrastructure, linked into territorial defence and search and rescue. Russia will need to add drones to the region to maintain surveillance. It will also need to modify existing weapons systems for Arctic conditions.

What was once an impenetrable wall of ice protecting Russia’s back yard is now an opening exposing a long Russian coastline with little infrastructure and few population centres. Russia’s Arctic coastline is largely empty. Moscow is offering incentives to increase migration to the region. But even with the melting sea ice, the area remains an inhospitable and difficult territory, but it offers Russia strategic opportunities and possibly increased influence in what will become an important trade route.



RUSSIA'S HYDROCARBON CHALLENGES



Energy has for long played a key role in bankrolling Russia's global ambitions throughout the last century. The high oil prices in the 2000s played a central role in creating the narrative for Vladimir Putin who successfully navigated the country out of the post-Soviet decade of disaster. Fossils Hydrocarbons were first discovered in the Caspian in the late 1800s and by the middle of the 21st century the energy sector become one of the major pillars Russia's economic and political power. Today, seven decades on, Russia's easily accessible oil reserves are depleting, which is now leading to Russian officials to invest and expand into more untapped sources. This all means Russia's days of oil dominance and the profits from it are nearing an end.

The Russian economy is driven by its energy resources, with half of the government budget coming from oil and natural gas. Energy for Russia is an important tool when it comes to political influence around the world and its relations with many nations. Russia has regularly used its energy ties as a political weapon, either by raising prices or by cutting off supplies. Russia's primary oil-producing region - the Western Oil Basin - is in decline, which has been producing over 60% of Russia's overall oil production for decades. In the mid-2000s, the West Siberian conventional fields revitalised the Russian economy, producing vast sums of low-cost oil at a time of rapidly rising global demand. But today, many of these fields have since plateaued.

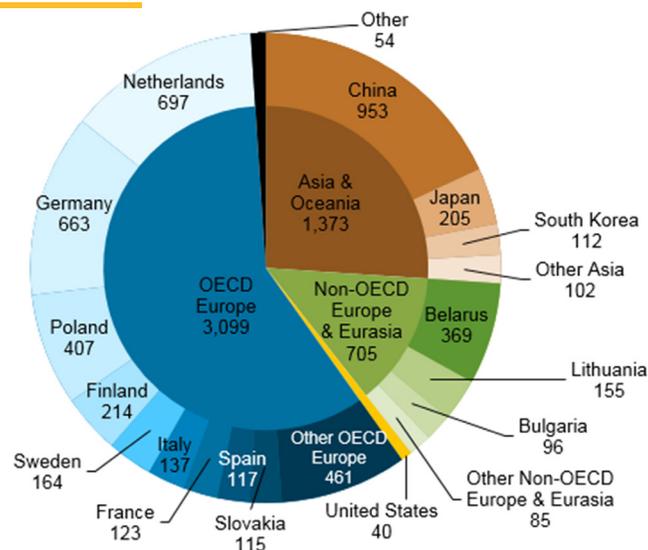
Russia now needs to turn to new reserves and regions to maintain current production levels. New

fields will need to be found and developed. Russia is now being forced to explore unconventional energy sources which are situated in hard to recover areas in the Black and White Sea and Caspian regions. It will also need to begin deep drilling in the Arctic and East Siberian fields. Accessing these reserves will require large investment or attract foreign investment. Russia also has significant shale reserves with key areas being the Bazhenov and Domanik formations. But Russia has for long lacked the tools to efficiently extract the resource due to sanctions and low output due to only a handful of firms dominating energy production. Whilst Russia has plenty of energy reserves, they are in inhospitable areas.

In a draft of its 2035 Energy Strategy, experts were not optimistic about the transition away from conventional fields. The best-case scenario has oil production remaining unchanged, with pessimistic reports projecting a 12%-40% percent decline in production.

Russia's main market for her energy exports is Europe; 70% of Russia natural gas and 65% of her oil exports go to Europe. But as Russia moves to more complex and expensive fields the growth rate of demand for fuels creates a complicated future for Russian exports. Russia will need to increase the volume of energy from her more expensive fields in order to gain revenues, but Russia will need to find a home for an increasingly expensive supply of oil, which is unlikely to come from Europe.

Russia's Oil Exports by Destination

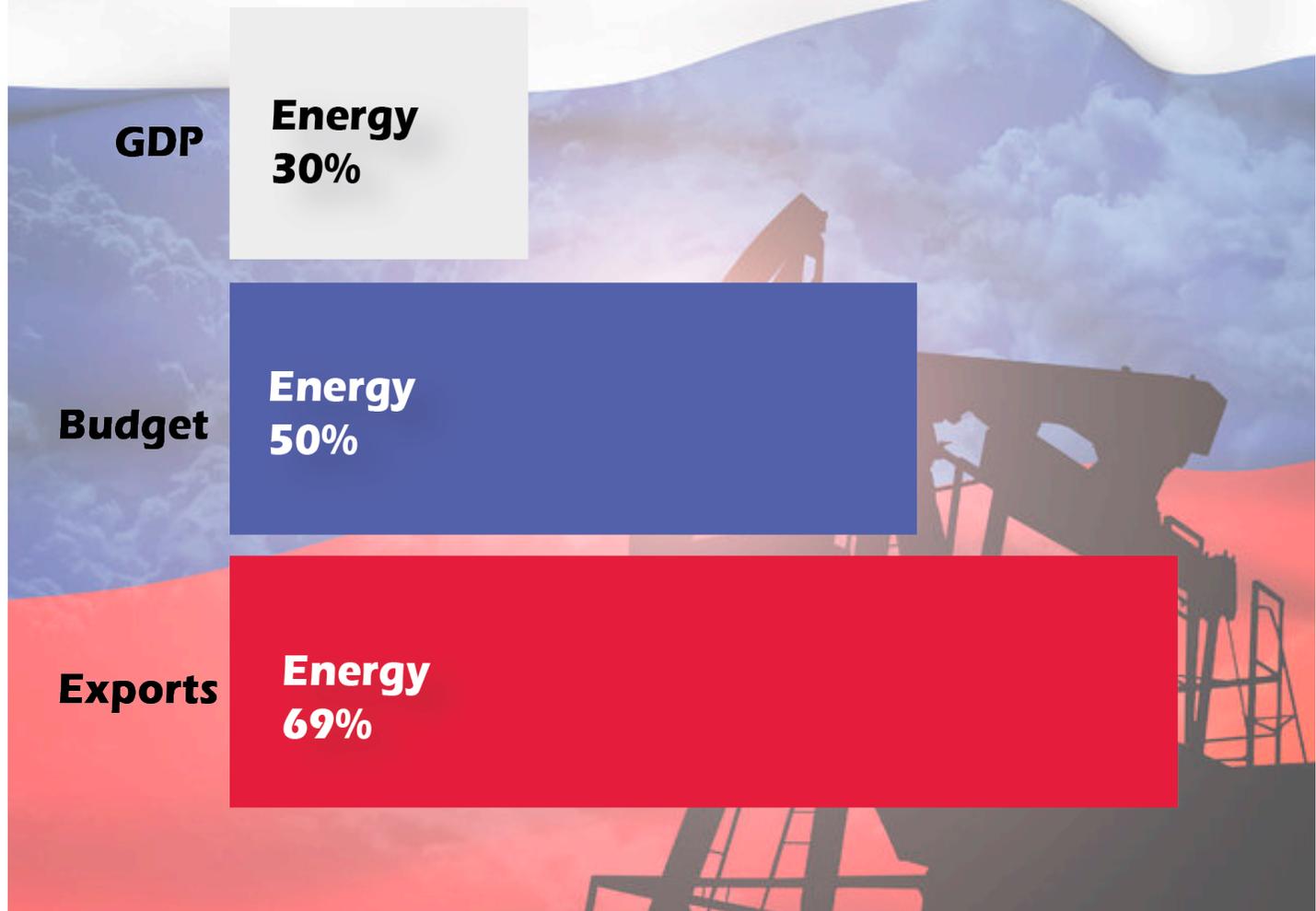


The potential development of Russia's expansive fields in East Siberia will be predicated on her success in Asia — and in particular, securing her energy ties with China. Russia currently supplies 15% of China's oil consumption, which will continue to grow as China transitions away from coal. This growth in demand from the world's largest energy importer would suggest a happy replacement of some European business. However, Moscow's relationship with Beijing is not without tensions. While their proximity amounts to a convenient economic relationship, it also brings competing interests.

Russia faces a variety of challenging options. Despite

possessing ample reserves Russia has failed to build a modern economy but instead focused on prolonging her energy reliance. With its era of cheap and easily accessible oil coming to an end, Russia faces strategic challenges and an array of unsatisfying options. Russia also relies on Brent pricing and dollar-denominated oil, it sells oil but doesn't control the price so is beholden to the global price of oil. International sanctions have prevented the sale of advanced oil extraction equipment to Russia, limiting Russia's ability to take full advantage of offshore reserves. Russia has until around 2030 to deal with this energy challenge, but it will need to move now to deal with this, especially as energy is the bedrock of Russia's foreign policy.

Russia's Energy Dependency



RUSSIA'S UNCONVENTIONAL FORCES



At the peak of the Soviet Union's power she had a military that convinced many, it would conquer Eurasia. The Red Army and the KGB were signs of Russia's hard power. The Soviet Union indeed saw her power through a military lens.

The decade after the collapse of the Soviet Union led to economic and financial chaos leading to the deterioration of arms and equipment due to inadequate servicing. Today Russia is nowhere remotely close to challenging America's global dominance and now it is making use of hybrid warfare as a central component of her national security strategy, particularly in her dealings with the West. Because it no longer boasts the overwhelming conventional force needed to challenge the US and reclaim the lands it lost in the crumbling of the Soviet Union, Russia has had to turn to other means.

This is now where private military companies such as the Wagner Group come into the picture. The company has in the last few years been involved in several international conflicts which are strategic for Russia. In both Belarus and Ukraine, the security company operated right next to NATO's eastern flank, underscoring how useful a political tool Wagner has become for Russia.

The collapse of the Soviet Union in 1991 and the subsequent economic collapse had a big impact on the armed forces of the Soviet Union. Most Russian soldiers

became unemployed and as a result they informally banded together in the 1990s to sell their services throughout the world. By the 21st century these former soldiers operated through a handful of private security companies in Russia, one of them, the Slavonic Corps, officially created in 2013 in response to the Syrian war consisted of former Russian special forces whose primary task was to protect the oil fields in north Syria.

Among the members of the Slavonic Corps was Dmitry Utkin, a former Special Forces commander in the GRU, Russia's military intelligence unit, who was referred to by his colleagues by his call sign, 'Wagner.' Although officially they were illegal, the Slavonic Corps were deployed to areas vital to Russian interests. One of the Wagner Group's biggest benefactors, a billionaire named Yevgeny Prigozhin with oil and mining operations in Africa and the Middle East, is a close friend of President Putin. The Wagner Group returned to Syria in 2016 and cooperated closer with Russian regular forces.

The Wagner group has since expanded its reach considerably, particularly in Africa. It trains the military in Sudan. It has participated in military parades in the Central African Republic (CAR). Its most high-profile client is Libya. The UN estimates that more than 1,000 Wagner members are fighting alongside the Libyan National Army, led by Field Marshal Khalifa Haftar.

For Russia the allure of private military companies is they don't have the political baggage of total state affiliation, which gives Russia political leverage and manoeuvrability. They are well trained, they have their own equipment and training facilities – the primary one located in Molokino in Krasnodar Krai near the Black Sea – and even have their own airfield. They are also relatively cheap on the global market.

Groups like Wagner have secured facilities that conventional militaries can't or won't for political purposes and that makes Wagner useful for limited-scale conflicts.

They give Russia another contingent of forces to work with. When Putin announced plans to partially withdraw from Syria, he in reality offset this with private military companies.

Russia's preference for private military companies is a relatively recent development, one ushered in by the conflicts in Syria and Ukraine, which made it clear to Moscow that the Wagner Group is an effective supplementary global tool. They fill out the areas where Russia does not and cannot send its army and therefore aid her in her overall grand strategy.



CONCLUSIONS

Russia now faces some significant strategic challenges. Russia made some tactical gains in 2020 but Syria and Libya as well as Latin America do not represent Russian strategic gains although Russia may project them as such. Russia was forced into an embarrassing treaty over Nagorno-Karabakh as Armenia was on the verge of capitulation. What seems like a possible re-run of the colour revolutions Kyrgyzstan, Belarus and Georgia all had disputed elections which the west is looking to exploit. These represent strategic challenges for Russia, despite everything it does around the world.

China

China continues to attract global attention as an aspiring power. In 2020 the Chinese leadership undertook actions to strengthen domestic unity by ending the one nation, two systems governance model. It also attempted to de-dollarise her economy, with mixed success. China continues to attract global attention with the Pentagon releasing her assessment of China's military ascent.



THE QUEST FOR NATIONAL UNITY

China has for a few years faced significant challenges at home and it can no longer hide these now. For long China promoted a strong and unified country who had global aims due to her global projects. But then her treatment of her own people in Xinjiang and her failure, for the moment, to deal with the uprising in Hong Kong as well as reunify with Taiwan highlights all is not well domestically in China. The new security law imposed on Hong Kong in June 2020 signals the Chinese Communist Party's (CCPs) growing concern with challenges to national unity.

On 9 June 2019, more than one million people flooded the streets of Hong Kong to protest a controversial extradition bill that would have made it legal for convicted criminals in Hong Kong to be extradited to mainland China. For Hong Kongers this was a step too far, Beijing was not respecting the islands special status. The protests in Hong Kong started as a response to Chinese encroachment into the territory and has now escalated into a full-blown crisis.

The COVID-19 outbreak allowed Beijing to impose restrictions across most of the country which put a halt to protests. But protests have continued and turned violent and evolved into a broader anti-China movement. On the last day of June 2020 China passed a wide-ranging new security law for Hong Kong which makes it easier to punish protesters. The details of the law's 66 articles were kept secret until after it was passed. It criminalised any act of, secession, subversion, terrorism and collusion with foreign or external forces. China's growing concern of rising violence in Hong Kong and the political evolution in Taiwan as well as the challenges to national unity forced the CCP to act.

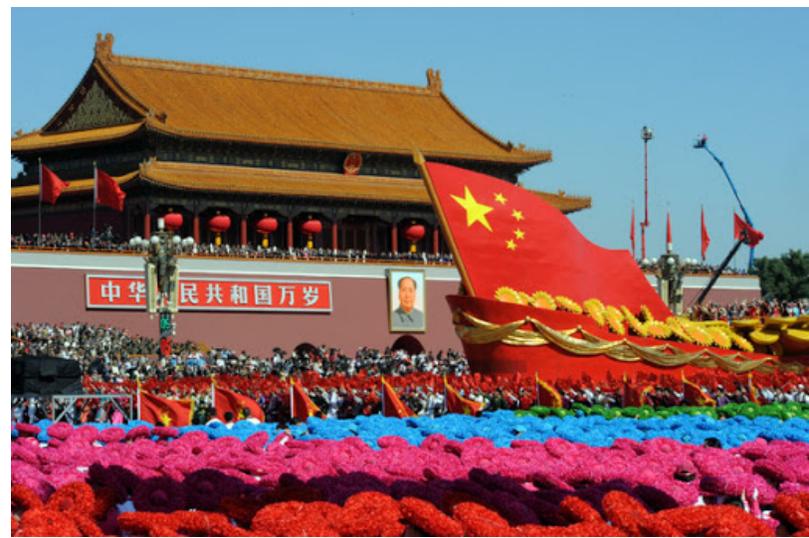
Both Hong Kong and Taiwan are closely linked for China. Hong Kong was meant to be a model of effective unification under one country, two systems, to entice Taiwan to re-join the motherland and bring to fruition the post-WWII rebuilding of China. But Hong Kong's integration has grown increasingly fractious over the past decade, and this has reinforced sentiment in Taiwan that reintegration with China would see a similar erosion of Taiwan's political independence.

The electoral victory of President Tsai Ing-Wen's in January 2020, who ran a campaign of independence of the Island nation, due to the Hong Kong protests, has made the Chinese leadership more aware that there is little support left in Taiwan for reintegration with the mainland. Taiwan's politics

now splits between pro-status quo and pro-independence tendencies. The COVID-19 pandemic has brought Taiwan's international status back to the forefront, with countries from the US to Australia arguing in favour of increasing Taiwanese participation in international forums like the World Health Organization (WHO), something China has long objected to. The 2019 protesters in Hong Kong rallied around five key demands, with all of them based upon self-determination for Hong Kong. As Beijing could not yield on such an issue, protests have continued and grown increasingly violent. In some cases, improvised explosives, were even used which the Hong Kong security forces struggled to manage.

Whilst the COVID-19 outbreak eased the protests, Beijing tried to use this lull to pass a security law, only to reignite the protests. The security law was supposed to be something Hong Kong passed following the 1997 handover from Britain, but domestic opposition delayed the action. Beijing has now stepped in to provide the legal tools to counter separatism, terrorism or intentional economic upheaval. The law will also provide a mechanism for Chinese agencies to operate directly in Hong Kong.

In 2020, China has lashed out at anything it considers a challenge to Chinese national unity. The COVID-19 pandemic exacerbated already-tense relations between China and several Western nations. The 100th anniversary of the CCP in 2021 will be an important piece of China's narrative to reinforce Chinese nationalism and challenge what it sees as an outdated and unfair Western world order. China cannot allow Hong Kong, a Chinese city, to remain a challenge to the CCP. The one country, two systems no longer resonate with Hong Kongers which will likely see the CCP accelerate reintegration of the island. For Taiwan, it means increased economic and military pressure from the mainland.



CHINA'S HONG KONG PROBLEM

Hong Kong, like many of China's ports and coastal towns was lost to the colonial powers from 1839 as she came to be colonised by Britain and France and then Russia, the USA, Portugal, Germany and Japan. In the first opium war from 1839-1842 Britain humiliated the Qing emperor by defeating his huge army and forced him to sign an unequal treaty — the Treaty of Nanking 1842; it forced the emperor to open China to British companies and it was to give Hong Kong to Britain as a colony forever with a British Governor. Britain then forced further concessions from the weak emperor in 1860 and forced him to cede the whole Kowloon Peninsula. Britain took advantage of China's defeat to Japan in 1895 and expanded her control by forcing the Qing Emperor to cede the whole area around Hong Kong for a lease of 99 years with no rent. The Hong Kong area when Britain took over was barren land with very little population. It was an area of farming and fishing villages and even the British foreign secretary at the time, Lord Palmerston described it as "a barren island with hardly a house upon it." But it gave Britain a port to access China for trade and for her ships to dock and replenish. Eventually Hong Kong became a busy trading port, and her economy took off in the 1950s as it became a manufacturing hub. Today, Hong Kong is

one of the world's most significant financial centres and commercial ports.

By the 1970s Britain was no longer the global power it was before WWII and China had regained most of the territories it lost during her century of humiliation (1839-1945). As the end of the lease of Hong Kong was approaching, Britain attempted to continue her status with Deng Xiaoping in 1979. China regarded the treaties by which Britain obtained various parts of Hong Kong as unequal treaties, forced on China when it was weak, by a militarily stronger colonial nation. In 1984 the Sino-British Joint Declaration was agreed which would see Britain hand back Hong Kong to China when the 99 year lease ended in 1997 on the condition that China maintained Hong Kong's economic and political system for 50 years after the transfer: 'one country, two systems' was born.

This meant rather than Hong Kong fully integrating into mainland China it would become a Special Administration Region of China where communism would not apply, it would have autonomy and her Western lifestyle would be preserved. China agreed to this as it was not strong enough



**No China
Extradition**

新民主同盟
NEW DEMOCRACY

then to fully assimilate Hong Kong into mainland China. It is believed by 2047, China would not renew the agreement at the time.

Britain could not impose anything on China but as it had built and ruled Hong Kong for so long and established Western values and structures it believed it could maintain her influence in this indirect way. It believed it could use Hong Kong to change China in her mainland. As China refused further direct rule by Britain, Hong Kong was transferred to China on 1st July 1997, after 156 years of British colonial rule.

The problem China has is despite her large military and economic development, it lacks a value system to bind people, together. Hong Kongers are Chinese people just like mainland China, but they see themselves as Westerners and have embraced Western values. Despite China's economic wealth, Hong Kongers don't want to be Chinese but Western. China has no values for these people and as a result they challenge the grip of the CCP, despite her claims of ruling over all of China.



ASSESSING CHINA'S COVID RESPONSE

In a report released in March 2020, the World Health Organisation (WHO) congratulated China on a “*unique and unprecedented public health response [that] reversed the escalating cases.*”¹⁹ China has received much praise for her response to the COVID-19 pandemic as well as some severe criticism, but the CCP has taken full credit for halting the spread of the virus.

The first confirmed patient who started experiencing symptoms was on 1 December 2019 in the Hubei province. The 57-year-old woman subsequently tested positive for COVID-19 and is likely patient zero in the coronavirus pandemic.

The outbreak went unnoticed until a cluster of unknown pneumonia cases were observed by Zhang Jixian, director of the Department of Respiratory Medicine at Hubei Hospital of Integrated Traditional Chinese and Western Medicine, whose experience fighting SARS in 2003 kept her alerted about a public health emergency. On 26 December 2019, a couple of seniors citizens who lived near Zhang’s hospital came to her for their fever and cough. On the same day, a patient from Huanan Seafood Market that Dr. Zhang saw also had the unusual conditions. On 28 and 29 December, three more patients who had visited the Huanan Seafood Market visited the clinic of the hospital. The hospital notified the provincial and municipal health commissions.

Wuhan health authorities quickly investigated and, amid social media leaks, publicly announced details about the outbreak on 31st December, closing the suspect market on 1st January 2020. National health authorities took control of the investigation and Chinese scientists rapidly identified a new coronavirus, preliminarily confirmed it as the cause of the atypical pneumonia, completely sequenced its genome in record time, developed testing kits, and published multiple sequences through globally-accessible databases on 11th January 2020.

Several doctors who came to be known as the whistle-blower doctors were warned by Wuhan’s police for ‘spreading misinformation’ and were summoned by the police on 3 January 2020. Dr Li Wenliang, one of the whistle-blowers died from the virus on 7 February 2020. By early June 2020, five more doctors from the whistle-blower hospital in Wuhan died from COVID-19.

“The death of Dr. Li led to widespread criticism of China’s regime. A subsequent Chinese official inquiry exonerated Dr. Li, and the CCP formally offered a ‘solemn apology’ to his family and revoked the admonishment of him.”

The Chinese authorities did not immediately notify the WHO as required of its member states, although the WHO obtained information on December 31 2019 from other sources. Chinese authorities rebuffed requests for samples and offers to assist with epidemiological investigations from the WHO and US government. Initially focused on a theory of animal-borne disease, they downplayed — though never denied — the possibility of highly-infectious human-to-human transmission. In updates during the outbreak’s first critical weeks, Wuhan officials advised residents to guard against seasonal infectious diseases by wearing masks, avoiding closed or crowded spaces and seeing a doctor if experiencing fever or respiratory symptoms, but did not highlight increased potential risk from the outbreak.

By the second week of January 2020 Wuhan city was



overwhelmed with thousands of new cases of coronavirus each day. In mid-January 2020, the Chinese authorities introduced unprecedented measures to contain the virus, Wuhan was placed under a strict lockdown that lasted 76 days. Public transport was suspended. Soon afterwards, similar measures were implemented in every city in Hubei province. All movement in and out of Wuhan and 15 other cities in Hubei province — home to more than 60 million people was halted. Flights and trains were suspended and roads were blocked. Soon after, people in many Chinese cities were told to stay at home and venture out only to get food or medical help. Some 760 million people, roughly half the country's population, were confined to their homes.

Across China, 14,000 health checkpoints were established at public transport hubs. School re-openings after the winter vacation were delayed and dozens of cities implemented family outdoor restrictions, which typically meant that only one member of each household was permitted to leave the home every couple of days to collect necessary supplies. Within weeks, China had managed to test 9 million people for COVID-19 in Wuhan. It set up an effective national system of contact tracing. As the world's largest manufacturer of personal protective equipment, it was relatively straightforward for China to ramp up production of clinical gowns and surgical masks.

Chinese authorities also built two dedicated hospitals in Wuhan in about 1 week, sent health care workers from all over China to Hubei, and launched an un-

precedented effort to trace contacts of confirmed cases. In Wuhan alone, more than 1,800 teams traced tens of thousands of contacts. Aggressive 'social distancing' measures were also implemented in the entire country including cancelling sporting events and the closure of theatres, schools, and businesses.

Two widely used mobile phone apps, AliPay and WeChat—which in recent years have replaced cash in China—helped enforce the restrictions, because they allowed the government to keep track of people's movements and even stop people with confirmed infections from travelling.

*“As a consequence of all of these measures, public life is very reduced. But the measures did work. In the end, infected people rarely spread the virus to anyone except members of their own household. Once all the people living together were exposed, the virus had nowhere else to go and chains of transmission ended. That's how the epidemic truly came under control.”*²⁰

These were the observations in the WHO report released on 28 February 2020 by a team of 12 Chinese and 13 foreign scientists who toured five cities in China to study the state of the COVID-19 epidemic and the effectiveness of the country's response.

It was organised jointly by the WHO and the Chinese government. The report also found: *“China is unique in that it has a political system that can gain public compliance with extreme measures. The country also has an extraordinary ability to do labour-intensive, large-scale projects quickly. No one else in the world*



*really can do what China just did.*²¹

But critics say the report failed to acknowledge the costs of the most severe measures imposed by China's regime: massive lockdowns and electronic surveillance of millions of people. "I think there are very good reasons for countries to hesitate using these kinds of extreme measures," said Lawrence Gostin, a global health law scholar at Georgetown University.

Epidemiologists say China's mammoth response had one glaring flaw: it started too late. In the initial weeks of the outbreak in December and January 2020, Wuhan authorities were slow to report cases of the mysterious infection, which delayed measures to contain it, said Howard Markel, a public-health researcher at the University of Michigan in Ann Arbor. "*The delay of China to act is probably responsible for this world event,*" said Markel.

China managed to get a grip on the spread of COVID-19 by isolating the regions where the disease outbreak started, after an initial period of suppression of the information.²² Reports show that officials in China hid evidence of a serious infectious disease from as early as mid-December 2019. By 3rd January 2020, China had 44 patients with a mysterious disease. The new virus was finally acknowledged on 7th January 2020. However, the city of Wuhan was not placed under a lockdown until 23rd January 2020 – and international flights were only restricted even later. So, the policy might have helped China but did not stop the spread globally. By mid-January 2020, there were cases across South East Asia, but even those countries were not advised by the WHO to restrict travel.

When the world first started learning about the outbreak of the new respiratory virus in the city of Wuhan, the Chinese government was defensive and secretive about it. Many foreign commentators were quick to cast China's reaction as a metaphor for the inherent weaknesses of an authoritarian system. Although it came at the cost of intense restrictions people in Wuhan, China squeezed the life out of the virus and out of its ability to spread. Then, just as COVID-19 began to fade in China, the pandemic took off in Europe—first in Italy and then throughout the continent.



DE-DOLLARISATION



In July 2020, the state-owned Bank of China published a report arguing that due to the threat of sanctions from the US, China should make more international payments through her own financial system.

China's economic rise has been due to integrating into the global system. China joined the World Trade Organization (WTO) in 2001 and has benefited immensely from the global liberal system. But since the Trump administration took office it launched an economic war with China placing restrictions, sanctions and tariffs on China's goods. China has been forced to de-dollarise as the US 'weaponised' the dollar.

The US is looking to apply sanctions upon China due to Hong Kong and with global payments and clearing settlement largely taking place in dollars this will have a big impact on China's economic life.

China's attempts to move away from the dollar include forming the BRICS bloc – which is valued at \$15 trillion i.e. 20% of the global economy. China is trying to initiate the development of her own payment system called Cross-Border Interbank Payment System (CIPS) that would be

an alternative to the Society for Worldwide Interbank Financial Telecommunication (SWIFT) system. China also established the Asian Infrastructure Investment Bank (AIIB), as an alternative to the International Monetary Fund (IMF) and World Bank in 2014. China has tried to direct more of her own trade and finance into yuan-denominated channels through the CIPS, but the system remains in its infancy, and the yuan is still a not used widely in the financial world.

China's CIPS provides settlement and clearing services of yuan-denominated cross-border and offshore transactions. When the system was first established in 2015, China was pressing for the greater international use of her national currency. Those efforts, however, have not yielded success as of yet with the yuan's share of global foreign currency reserves less than 2%.

Currently, unsettled international payments that are not cleared bilaterally depend on the 30 million daily payment orders sent through the SWIFT system, which then messages correspondent banks with instructions. The CIPS average daily transactions are just \$19.4 billion, compared with SWIFT's \$5-6 trillion average daily transactions. The yuan also accounts for only 1.14% of international currency payments.

China has managed to reduce the use of the dollar to half her trade with Russia, but this is unlikely to spread further as the yuan's global use is inhibited by capital controls and a strategy of maintaining the exchange rate.

Despite the Bank of China's recommendations China lacks the ability to de-dollarise currently as her currency is just not widely used. Unless China forces companies to choose between Chinese and US payment systems, Beijing's ability to reduce the use of the dollar and reduce her sanctions exposure will be limited by the yuan's meagre use in global markets.

“Despite the Bank of China’s recommendations China lacks the ability to de-dollarise currently as her currency is just not widely used. Unless China forces companies to choose between Chinese and US payment systems, Beijing’s ability to reduce the use of the dollar and reduce her sanctions exposure will be limited by the yuan’s meagre use in global markets.”



Making Sense of the Dollar System

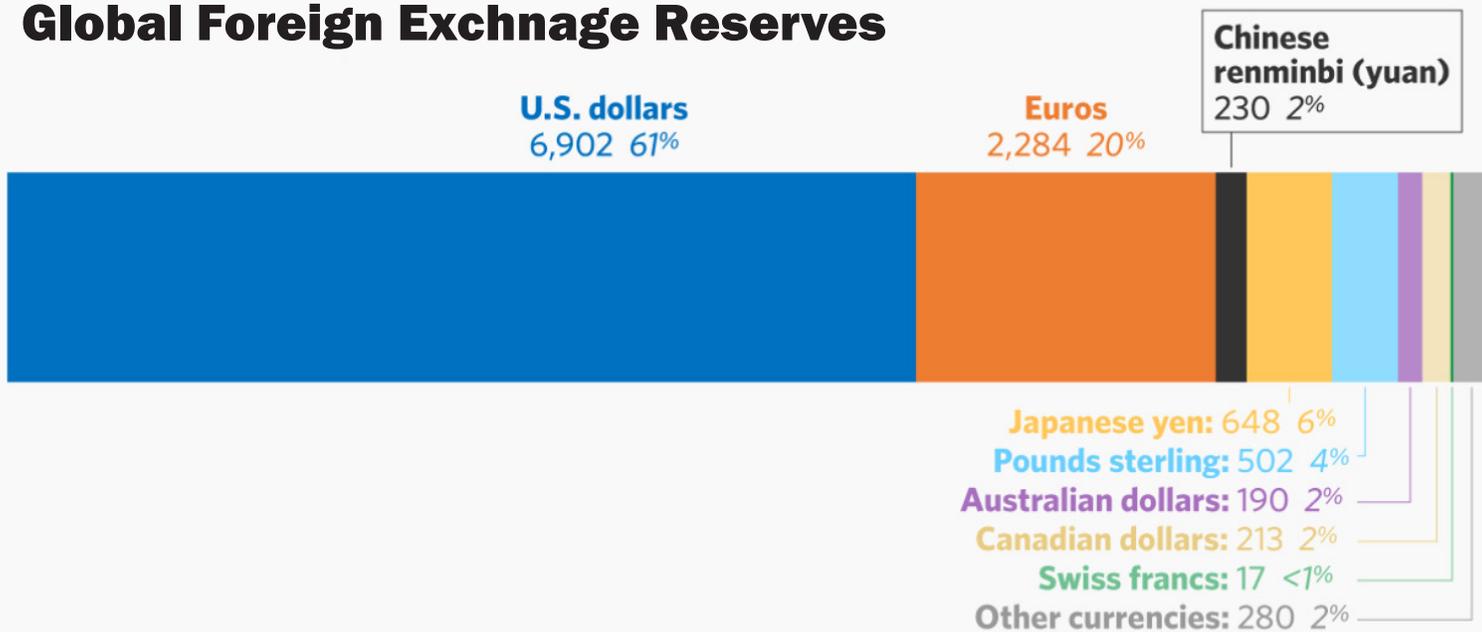
After WWII, Europe was destroyed and the US was the last man standing, this allowed her to define the terms of the post war order. The Yalta Conference in 1945 distributed the spoils amongst the victors, but the year before at the Bretton Woods Conference the International Monetary Fund, the World Bank and the General Agreement on Taxes and Tariffs (GATT) were created. The Brookings institute confirmed in a report: *“The United States has viewed all multilateral organisations including the World Bank, as instruments of foreign policy to be used in support of specific US aims and objectives... US views regarding how the world economy should be organised, how resources should be allocated and how investment decisions should be reached were enshrined in the Charter and the operational policies of the bank.”*

Having the world’s largest gold reserves at the time, the US reconstructed the global financial system around the dollar. The new system, created at Bretton Woods, tied the currencies of every country in the world to the US dollar through a fixed exchange rate. It tied the US dollar to gold

at a fixed rate of \$35 an ounce. This made the dollar as good as gold. The Bretton Woods system made the US dollar the world’s premier reserve currency. It effectively forced other countries to store dollars for international trade, or to exchange with the US government for gold. Being the issuer of the global reserve currency guaranteed international demand for the dollar. This meant the US could print dollars at will, an unlimited supply, since the wider world always needed dollars and would absorb the ensuing inflation.

But with the Vietnam War dragging on for over a decade and the runaway spending, this resulted in the US printing more dollars than it could back with gold. By the late 1960s, the number of dollars circulating had drastically increased relative to the amount of gold backing them. This encouraged foreign countries to exchange their dollars for gold, draining the US gold supply. President Richard Nixon “temporarily” suspended the dollar’s convertibility into gold in 1971; the “temporary” suspension is still in effect today. Leaving the Gold standard eliminated the main reason foreign countries needed large stocks of US dollars. The Nixon

Global Foreign Exchange Reserves



administration dealt with this with a series of agreements with Saudi Arabia from 1972 to 1974, creating the petrodollar and giving foreign countries another compelling reason to hold and use the dollar. This new arrangement preserved the dollar's special status as the world's top reserve currency. The agreement was for the US to prop up the Saudi monarchy in return for the world's largest oil producer, with the world's largest oil reserves selling oil on in dollars and using her dominant position in OPEC to ensure all oil transactions would only happen in US dollars.

Today the US dollar dominates global transactions, whether commodities, finance or payments. Oil dwarfs all other major commodity markets combined. In today's modern world every nation needs oil, as oil is priced in dollars, therefore every nation needs US dollars to buy oil. Today, when Britain buys oil or gas from Qatar, it has to purchase US dollars first on the foreign exchange market to pay for the oil.

This therefore creates a huge artificial market for US dollars, and this is what sets apart the US dollar from every other purely local currency. The US dollar in effect acts as a lubricant or middleman in countless transactions amounting to over \$5.4 trillion a day that have nothing to do with US products or services. In fact, 60% of foreign exchange contracts into the dollar have nothing to do with the US.

What the US achieved was by forcing oil to be priced in dollars and creating an enormous demand (dependency) for dollars it also became a benchmark for international trade. As the entire world needs dollars for oil, this then forced them to also use dollars for international trade.

In addition to nearly all oil sales, the US dollar is used for 88% of all international transactions. The SWIFT system that enables financial institutions to make payments on behalf of companies, governments and institutions is dominated by the US dollar. Almost all nations globally have little choice but to take dollars.

This gives the US unmatched geopolitical leverage. The US can sanction or exclude any country from the US dollar-based financial system at the flip of a switch. By extension, it can also cut off any country from the vast majority of international trade. This is how the US dealt with nations during the Cold war who attempted to join the Eastern bloc such as Cuba. After the fall of the Soviet Union both Iran and North Korea have faced sanctions and have been excluded from global commerce due to the US dominated global financial, monetary and economic system. Several European companies refused to fulfil their dealings with Iran for fear of America.

It requires no effort for the US to create dollars; they are literally printed out of thin air, or created on computer entries which can then be exchanged for real things like, Italian cars, electronics from South Korea, or Chinese manufactured goods. The US can also create lots of debt, in the form of treasuries, which the world will buy as it needs dollars.

The US may have the F-35 and F-22, it is developing laser weapons and hypersonic missiles, but her real weapon of mass destruction (WMD) is the dollar which at the click of a mouse can cut of a nation from the global financial system. It can do this as it has made the dollar the lubricant for global trade and finance.

Global Payments by Currency (SWIFT) 2020

US dollar - 37.63%

Euro - 37.44%



British Pound - 6.85%

Yen - 3.44%

Yuan - 2%

Canadian Dollar - 1.76%

Hong Kong dollar - 1.45%

Australian dollar - 1.44%

Others - 6.58%

HAS CHINA'S MILITARY POWER OUTSTRIPPED THE US?

The Pentagon in September 2020 published its annual review of military and security developments involving China. The annual assessment, legally required by the Congress concluded: *“China has already achieved parity with – or even exceeded – the United States in several military modernisation areas, including shipbuilding, land-based conventional ballistic and cruise missiles and integrated air defence systems.”*²³ China has certainly made significant developments in the last two decades in the production and development of military equipment and whilst many leading nations have been cutting their military budgets China has been consistently increasing hers. However some of the Pentagon's report conclusions need to be placed in perspective.

China's Navy received the most attention in the Pentagon's review. *“The PRC has the largest navy in the world, with an overall battle force of approximately 350 ships and submarines, including over 130 major surface combatants,”* the report outlined. This is compared to the US Navy's current battle force of 295 ships. China's Navy has attracted a lot of media attention as it has been actively enforcing China's sovereignty over the many disputed Archipelagos and islands in the South China Sea.

China has increased the number of modern destroyers, frigates, corvettes and diesel-electric submarines. China launched her 20th type 052D which is equivalent to the US Arleigh Burke-class destroyers. China is also building her third aircraft carrier in the 60,000 ton range and investing heavily in the much more capable type 055 destroyer.

The Chinese navy has ambitious plans to develop new capabilities and is well on the way to doing so. Despite this advancement, the Chinese Navy is still not considered blue water navy. A blue water navy is one which can operate globally, in deep waters over open oceans. China currently does not possess a navy that can be at sea for long periods, far from her coast, conduct operations and achieve maintenance and all the complex logistics that comes with it. This is because China's navy still consists largely of smaller ships with low tonnage. Although it has many of these, even more than the US, the US on the other hand has larger vessels which give it more firepower and offensive capabilities. China has plans to build and field larger vessels and it has made significant progress in the last two decades in moving in this direction. But China is nowhere close to US Naval capabilities and remains a regional force, despite some operations further from home.

Trailing in the Air

The Pentagon found that China has one of the largest and robust integrated air defence systems in the world. China's most advanced systems consist of Russian made S-300 and S-400 systems along with domestically produced platforms. Though, air defences have never been as omnipresent as they are today, they are in the end defensive platforms. China's robust integrated air defence system is only relevant in defending herself but not as a power projection tool.

The most certain way to protect a nation from enemy air attack is to destroy or suppress the enemy's air force. In other words, the best air defence is air superiority. Air warfare is high-tech, very expensive, requires extensive logistics and is arguably very destructive. China has been attempting to catch up with Western capabilities for several decades and in some very significant fields it has achieved parity, such as her development programmes for 5th generation aircraft.



China has an air force of over 1,500 fixed wing aircraft, but it maintains only a partial fleet of around a dozen H-6U and IL-78 tankers for aerial refuelling capacity; this is not even close to service for an air force the size of China's. In a conflict close to the Chinese mainland, China's military would enjoy geographic and positional advantages, while the US would be required to successfully deploy her forces into the region.

The geography of conflict is critical, and even short distances, have a major impact on relative capabilities. Chinese power projection capabilities are improving, but the PLA's ability to control military events diminishes rapidly beyond the unrefuelled range of jet fighters.

The Taiwan Factor

According to the Pentagon report China has kept the option of invading Taiwan on the table. The development and deployment of the DF-21 anti ship guided ballistic missile system means the PRC has the capability to keep any US carrier group wishing to intervene, at arm's length. The military imbalance between China and Taiwan has definitely grown rapidly in Beijing's favour, but despite constant media attention about China being able to launch an invasion of Taiwan, invading and occupying Taiwan will remain extraordinarily difficult for decades to come.

Although China has one of the largest armies in the world and can amass them on her shores across the Taiwan Strait, to invade Taiwan, China would need the bulk of her forces to get into boats and make the eight-hour voyage into the teeth of Taiwanese firepower coming from well-entrenched, well-supplied onshore positions. Taiwan has

about 130,000 well-armed troops (plus 1.5 million in reserve) and thousands of armoured fighting vehicles and camouflaged, self-propelled artillery pieces. Only about 10% of Taiwan's coastline is suitable for an amphibious landing, and even taken by surprise, Taiwan could amass her forces at the landing zones, even under a missile barrage from China and exact high rates of attrition on the Chinese. Amphibious war requires extraordinarily complex coordination between air, land and sea forces. An enormous number of things would have to go right for China to succeed, and the political risks of failure would be sky-high. That's to say nothing of the headache involved in occupying Taiwan herself.

China still has a long way to go to be able to invade and occupy Taiwan, at least not without incurring costs. It will remain an extraordinarily difficult job – even if the US remains on the sidelines and what does not help China is the fact that it has zero experience in complex amphibious warfare.

Over the last two decades, China has modernised her military and moved away from a large ground force and worked on building up her navy and air force. China's Navy has received significant attention due to China's need to secure her sea lanes, but her maritime capability cannot travel far from her shores as they are small, despite being large in quantity. China still has a long way to go to compete with the US despite alarmist conclusions from the Pentagon itself. Without global responsibilities such as the US, China has been pouring money into her military modernisation and this has worried US policy planners who see their military supremacy being eroded. Despite this, and for the moment, China's military is focused on securing her immediate periphery.



CONCLUSIONS

China for long projected herself as a strong and unified country but Hong Kong has been challenging this narrative. In 2020 China moved to deal with the rebellious region which doesn't bode well for Taiwan. China used the Covid-19 pandemic to bring Hong Kong in line, but it faces significant challenges when it comes to internal stability. The heavy-handed approach brings international attention which is not the image China wants to be projecting.

2021



Trade war

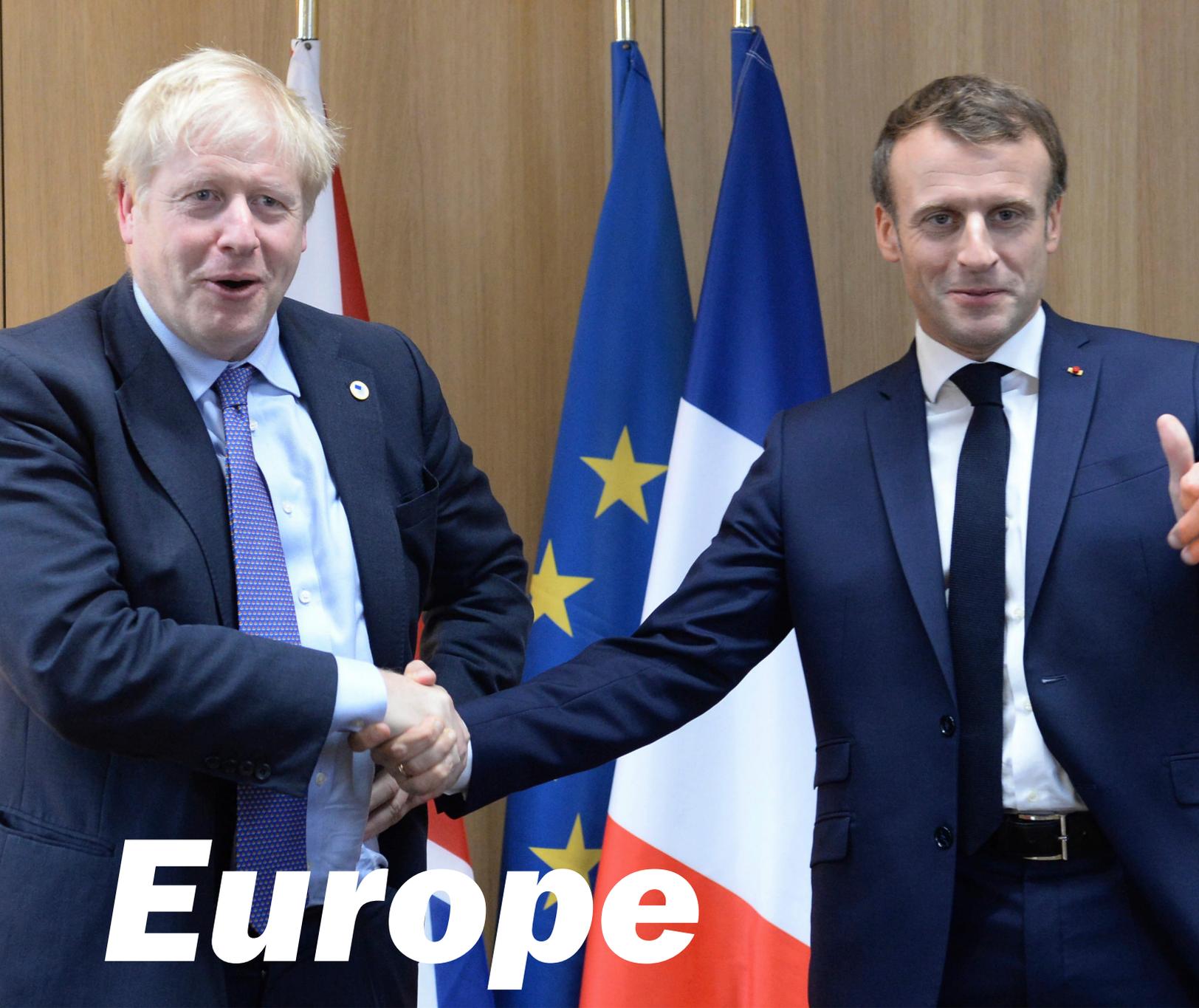
2020 was election year in the US so little progress was made on the trade war between both nations. From the US perspective it's just getting started with the trade war and plans to up the ante. China has for the moment restricted herself to talks and has taken no other actions to influence the US. China needs to find some sort of grand bargain with the US over the trade war. In the long run it will only hurt China.

China Alliances

Despite economic relations across the world China can count on very few nations as allies. The US, France and Britain have various nations whose leaders are beholden to them or those nations are vassal states. The US containment strategy is built on using India, Australia, Japan, South Korea and Vietnam to contain the rising dragon, China has no alliance system or architecture, even Russia is unlikely to come to China's aid in the Taiwan straits and similarly China has done little to help Russia with Ukraine. China needs to develop political alliances if it wants to take on the US.

Ditching the Dollar

Efforts by China to internationalise her currency has been slow as Beijing currently lacks the political will to make the fundamental economic and political changes necessary to put the renminbi in the same league as the dollar. The renminbi is far from being a safe haven currency, and while it potentially could possibly erode the role of the US dollar, it is not expected to pose a serious challenge for the foreseeable future as China places restrictions on its use, printing and its accessibility abroad, making it a local currency, unlike the dollar. If China wants to reduce her dependence on the dollar it will need to make more fundamental economic changes.



Europe

Europe faces significant challenges on the continent and beyond. The future shape of the continent needs urgent attention as European influence abroad is fast shrinking. Divisions within Europe continue to impact and get in the way of effectively solving problems and this took centre stage in 2020.

THE FUTURE OF EUROPE

Europe is currently trying to determine what its future destiny will be. What will be Europe's identity and what shape her global role will take, are all questions that it urgently needs to answer.

Europe was the centre of the global system for nearly 500 years. The competition between European empires took place across the whole world and it became the driver of most global events for those centuries. After WWII, Europe was caught between the US and the Soviet Union and now it's caught between the US and China. Internally what cohesion existed is being eroded by Brexit, economic inequality and nationalism. Europe still lacks a common foreign policy or defence force as the global balance of power shifts, Europe needs to think about her structure and define her interests otherwise it will lose what little influence is still has.

The Europe that evolved after WWII was an attempt to deal with a devastated continent and ensure the future of Europe was not determined by war but through other means. When the Cold War ended in 1991 Europe had an opportunity to accelerate her plans to create unity from a traditionally fractious set of nations. The expansion of the European Union into former Soviet territory, the introduction of the Euro and the promotion of a free market on the continent was all part of the desire to unify Europe and overcome national identities. European unity was just the latest in a long line of attempts to create a common European destiny.



What is Europe?

Defining Europe is not as straight forward as it looks. Europe includes parts of Russia and Turkey. From a geographic perspective, Europe is a peninsula, squeezed on one side between the Black and Baltic Seas, and reaching out toward the Atlantic. British geographer Sir Halford Mackinder noted that the core of Europe could be seen in a cross, drawn with the intersecting axes of Spain-France-Germany and UK-France-Italy. This area represented the core of modern Europe. It relegated Central and Eastern Europe to a contested frontier against Ottoman and Russian expansion. Britain as an island played a shifting role on the mainland to.

The European Coal and Steel Community in 1952 reflected this core of Europe, with then West Germany, France and Italy joined by Belgium, Luxembourg and the Netherlands. The UK, Ireland and Denmark then joined in the 1970s, followed by Spain, Portugal and Greece in the 1980s. With the exception of Greece, Cold War-era Europe fit cleanly within Mackinder's cross. But with the end of the Cold War, the European Union launched a currency union and several rounds of enlargement, stretching into Scandinavia

and then into the former Soviet frontier in the Baltic States and deep into Central and Eastern Europe. The European Union (EU) has also considered expanding its membership to Turkey and further into the Balkans.

The expansion of the European Union and the need for integration created many of the challenges the bloc is now facing. Political and economic differences already existed, but expansion and the 2008 global economic crisis brought them to the forefront. But a number of other complications also existed. Net contributors were far smaller than net receivers of EU's budget. Differential labour costs, different national cultures and migration has all seen a rise in populism and the far right as well as authoritarian governments.

The pillars of the EU are not coming under attack from an external power but from within the union and now has her first victim – the UK. Between the Global Financial Crisis and the current COVID-19 crisis, all of these are bringing to the fore, once again, the demand for trade barriers and protectionism.



The Battle for Europe

Internal divisions are allowing a host of external powers to take advantage of Europe. China has been able to take advantage of intra-EU divisions and invest in central and Eastern Europe which will aid her expansion. This has allowed her to pour money into Greece and the Balkans and in core European nations. Europe is only now starting to take a unified stance on countering Chinese investment, espionage and economic gains. Without a unified Europe China has succeeded in its industrial espionage activities and intellectual property theft.

Similarly, Russia has been able to exploit EU tensions to maintain her energy position and to present herself as a major power. Eastern European nations have for long been on the receiving end of the Russian threats but with question marks over NATO and the transatlantic relationship and with the EU foreign policy and defence force still taking shape this presents Russia with plenty of opportunities to expand her position further into Europe.

Turkey and the Balkans are also rising as new security challenges for the EU, such as tensions between Greece and Turkey over territory disputes in the Mediterranean Sea. Chinese arms sales to Serbia are all challenging Europe's historical position in these areas. Add to these the rise of the Arctic; greater interest in the South China Sea, the EU needs to define herself if she wants to be on the right side of history.

The EU as a great European experiment has failed to end history and replace the ideas of nation, borders and differences with a common European identity as a model for the future of continental cooperation. In many areas of the world Europe now has little say and this will continue unless the EU is able to forge some type of unity and devote resources to some of the emerging global trends.



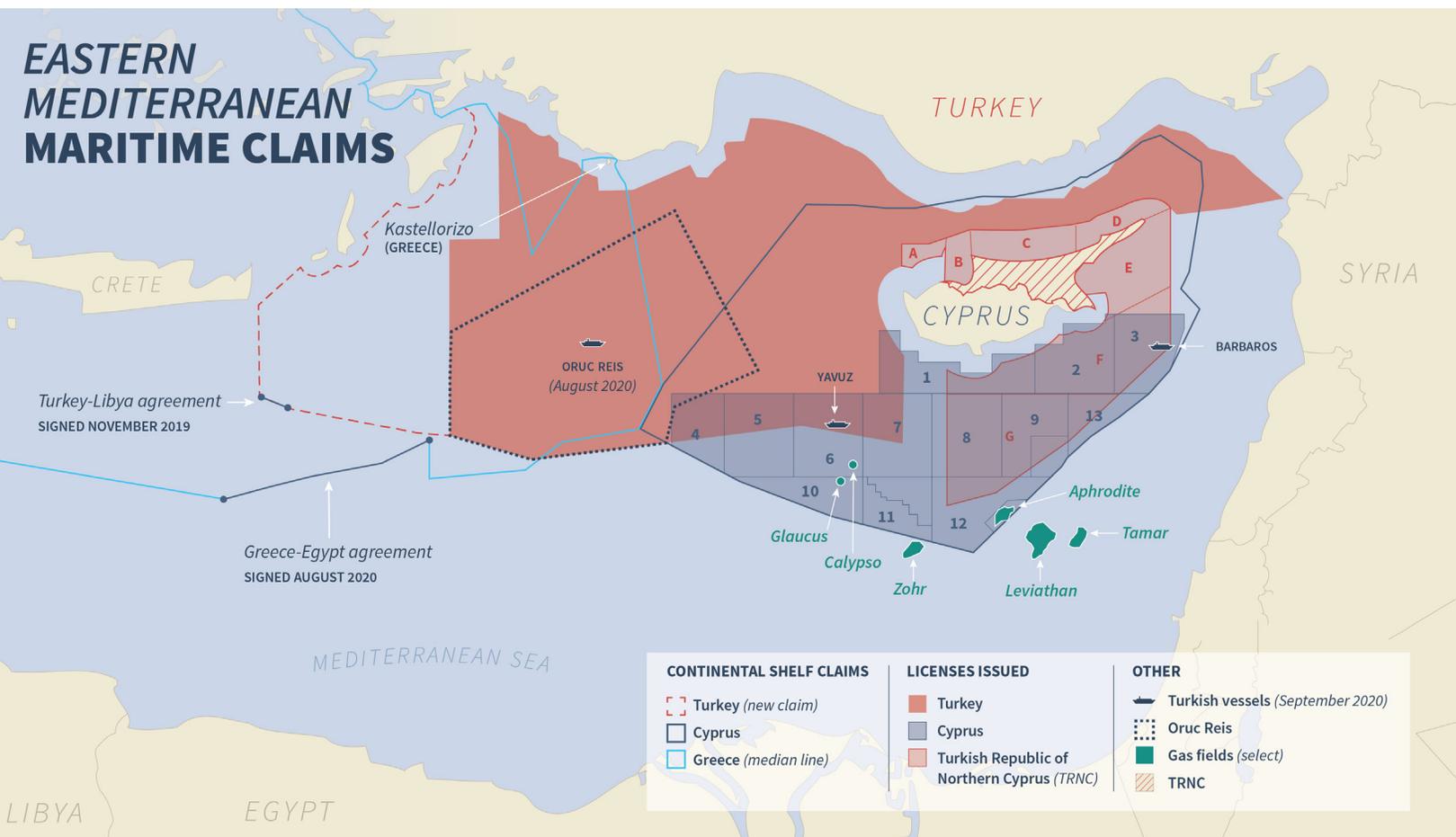
THE BATTLE FOR THE MEDITERRANEAN

Transforming the Eastern Mediterranean into a hub for energy exports has long been an aim by the nations that share borders with the waters. Offshore exploration in the waters of the Eastern Mediterranean region started in the late 1960s and early 1970s. These wells targeted structural culminations on the shallow shelf of the Zionist Entity and northern Sinai, but all were found to be dry. Exploration activity in the offshore Eastern Mediterranean re-emerged in 2000, when five natural gas fields were discovered at a shallow depth west of the coastal town of Ashqelon and the Gaza Strip. These discoveries speeded up exploration efforts and promoted the acquisition of geophysical data throughout the entire Eastern Mediterranean area, particularly in the Levant basin. In 2009, the US Company Noble Energy announced the discovery of the Tamar field in offshore 'Israel.' After this first major discovery, Noble Energy announced two other major findings in the Levant Basin that turned the Mediterranean into an important source of energy resources for several nations.

Turkey's strategic location between Europe and Asia and between oil consumers and oil producers, made it into a natural trans-shipment route between the major oil producing areas in the Middle East, Central Asia, and the Caucasus on the one hand, and consumer markets in Europe on the other made such discoveries key for it.

Europe's attempts to circumvent Russian energy; extensively used as a political tool by Russia, has made Turkey an important nation for Europe's future energy security. The Baku-Tbilisi-Ceyhan pipeline, considered one of longest oil pipelines in the world, delivers crude oil from the Caspian Sea basin to the port of Ceyhan on Turkey's Mediterranean coast, from where it is distributed with oil tankers to the world's markets. From a geopolitical perspective Turkey is critical to the world's energy security.

Despite this, Turkey has for long, had limited energy resources for her own economy. Coal is Turkey's primary source for electricity generation. Turkey imports half of all its coal as domestic production only meets just over 40% of the nation's electricity needs. When it comes to oil, Turkey consumes over 1 million bpd of oil but produces a mere 53,000 bpd; importing the vast majority. Similarly, Turkey consumes nearly 50 billion cubic metres (bcm) of natural gas annually; she only produces 475 million cubic metres of this. Turkey therefore regularly has an exorbitant import bill of over \$40 billion a year to meet her energy needs. This is a major strain on the Turkish economy. With the discovery of energy in the Mediterranean, naturally Turkey has taken a keen interest in exploiting them. In 2009 the Tamar field, which is 80 km west of Haifa, was discovered with 9 trillion cubic feet (tcf) of extractable gas. A few months later, the



Dalit field was discovered in the west of central occupied Palestine with around 500 billion cubic feet (bcf) of gas. Then in 2010 the Jonathan field in western Palestine was discovered containing 16 tcf of gas. This was the largest natural gas discovery in the world in a decade.

Turkey began the exploration in earnest, and this led to a series of crises with Cyprus and Greece. Both nations claimed Turkey was drilling in their exclusive maritime areas: Turkey and Greece's maritime borders. Turkey responded by announcing she had expanded her exclusive economic zone (EEZ) in the Eastern Mediterranean in collaboration with Libya's Government of National Accord. Turkey also announced she was building six new submarines to enforce her claims.

Turkey for the last two decades has been playing a prominent role in a number of global issues. With the US supporting the AKP party this emboldened Erdoğan, who has clashed with a number of nations ever since. France took the strongest position against Turkey.

It has since the very beginning stood by Greece and moved to have a French military presence in the Eastern Mediterranean. It carried out joint naval manoeuvres with Greece and then deployed to Cyprus in August 2020. France pressured both the EU and NATO to take aggressive positions against Turkey.

From a military perspective, Greece is no match for Turkey. That is why it is trying to secure the support of European nations. The EU has backed Greece's claims and threatened to impose sanctions on Turkey. The recently established seven-country EastMed Gas Forum has excluded Turkey. A coalition of European nations would be too much for Turkey to deal with militarily. This is why Erdoğan is testing Europe and taking advantage of her indecisiveness and internal divisions. He violates Greek sovereignty in the Aegean Sea, while simultaneously calling for dialogue. But he has ensured the situation doesn't escalate to war. With all the challenges Europe currently faces this crisis is something Europe is not in a good position to deal with due to the divisions in the EU.

Maritime Features

ISLAND OR ROCK?

In marine law, the difference between an **island** and a **rock** is everything.

The UNCLOS classifies three types of landmasses:

Low-Tide Elevation

A landmass above water only at low tide.

Rock

A landmass permanently above water, but unable to sustain human habitation or economic life on its own.

Island

A landmass permanently above water that can sustain human habitation and economic life on its own.



TERRITORIAL BENEFITS

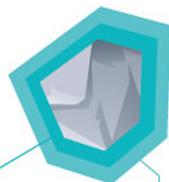
Rocks get some territorial benefits, but islands get **200 nautical miles (370 km)** of special economic rights around them in each direction.

Low-Tide Elevation



(Does not confer any territorial rights)

Rock



Territorial Waters
12 n.m. (22 km)

Contiguous Zone
12 n.m. (22 km)

Island



Exclusive Economic Zone: 200 n.m. (370 km)

This zone confers exclusive rights for fishing, drilling, energy production, and other economic activities.



THE TREATY OF LAUSANNE 1923

The Treaty of Lausanne signed in 1923 made the Aegean Sea a Greek lake and enabled Athens to challenge Turkey's access to trade lanes. Despite Turkey having the longest coast on the Aegean Sea and the Eastern Mediterranean, the treaty signed by representatives of Mustafa Kemal, on behalf of the government of the Turkish Grand National Assembly that had split from the Caliphate in Istanbul, they confined Turkey to the Aegean Sea. The agreement made most of the Aegean islands become the property of Greece, despite some of the islands being over 300 miles from the Greek mainland, while the Turkish mainland was only one mile away. Turkey as a result received just three islands in the Aegean Sea, while Greece claimed more than 3,000. As a result, the island of Kastellorizo (known as Meis in Turkish) lies one mile from the Turkish coast and 360 miles from the Greek coast but belongs to Greece. The island only measures 3.5 square miles, but has a 15,500 square mile exclusive economic zone (EEZ).

Other aspects of the treaty saw the Mustafa Kemal representatives agree to relinquish, in favour of Italy, all rights and ownership over Stampalia (Astypalaia), Rhodes and Halki (Kharke).

It also forced Turkey to recognise the annexation of Cyprus to Britain, which she occupied in 1914. But the biggest capitulation from Turkey was the recognition of the principle of freedom of passage and navigation, by sea and air, in times of peace as well as in times of war, in the Dardanelles, the Sea of Marmara and the Bosphorus. The Mustafa Kemal representatives agreed to all these concessions. For nearly 100 years Turkey was restricted in the Aegean Sea as her islands and beaches were given to Greece, and Turkey was prevented from exploiting the area for energy. Today, Turkey is attempting to right this historical wrong.





THE BATTLE FOR NORTH AFRICA

Much of North Africa was colonised by the European powers and whilst Egypt has been lost to the US much of the north and west of the continent remain important nations who the Europeans have influence over. These areas of Africa are also full of mineral resources which Europe needs, especially energy. Algeria and Libya are important nations for Europe to reduce her dependency on Russian energy. In 2020 matters have taken a turn for the worse in both Libya and Mali for Europe.

Europe on the Back Foot in Libya

After the overthrow of Muammar Gaddafi back 2013 the UK and France set up the new regime with former Gaddafi era individuals. As far as the Europeans were concerned Libya was their colony. Soon after this Khalifa Haftar was inserted into Libya after spending decades in the US, to gather the militia groups around him after the fall of Muammar Gaddafi and launch an assault on the government in Tripoli and remove it from power and thus remove European influence.

By 2014, Haftar announced he was the commander of the Libyan army of the House of Representatives (HoR) based in Tabruk, who had just won the election from the transitional government. But the transitional government in Tripoli - the Government of National Accord (GNA) refused to give up power and so ever since then Haftar launched a military campaign against them. It took Haftar until 2017 to gain full control over Benghazi, the largest city in East Libya and significant help was needed from Egypt and UAE who provided military equipment. By 2019 Haftar had taken control over the oil wells in Eastern and Central Libya including the oil terminals and ports. By April 2019 Haftar called on his military forces to advance on Tripoli to topple the government. Haftar was confident his forces could overwhelm the militias that supported the government in Tripoli. But by June 2019 Haftar had failed to take Tripoli.

Following the military setbacks, Vladimir Putin of Russia

deployed the Wagner mercenary group in Libya in October 2019 to facilitate the assault of Haftar on Tripoli. In December 2019 Haftar announced in a speech broadcast on Al Arabiya TV: *“Today we announce the decisive battle and the advancement towards the heart of the capital to set it free ...advance now our heroes.”* But the truth was Haftar’s forces had stalled on the outskirts of Tripoli and were struggling to gain further ground. His forces often issued announcements of advances or decisive military action that have been followed by little concrete change on the battlefield.

The challenge Haftar has faced, is that although he has presented himself as an army, that has discipline and can handle heavy weapons, it is really a militia force that handles mostly light weapons. Against a conventional army he could utilise guerrilla tactics and weaken it as the Taliban did in Afghanistan against both the Soviet Union and the US and as the rebel groups did in Syria. The government in Tripoli despite having a small air force is also really a force that consists of various militia groups, especially ‘moderate’ groups who Prime Minister Fayeaz al-Sarraj, brought together. Al-Sarraj and his government have little power and influence beyond Tripoli. His militia forces used the same guerrilla tactics to defend Tripoli against Haftar’s forces. As a result, Haftar, despite capturing much of the country failed to capture Tripoli, which is the seat of the government.



In January 2020 Turkey entered the conflict and airlifted some of the rebels from Syria to Libya. Turkey entered the side of the Tripoli government and became the power that led the defence of Tripoli against Haftar's forces. Turkey already had relations with many of the militias that are working with the Tripoli government such as the many groups in Misrata and Ansar al Sharia etc.

Turkey has been providing training and operational support to the militia groups, as well as air support through unmanned aerial vehicles (UAV), intelligence and support from Turkish Navy vessels. Turkey signed a maritime deal with the Tripoli government which included installing new air defence systems, which allowed Turkish drones to start a major campaign of air strikes, crippling Haftar's ability to resupply his forces. As a result the Pro-Tripoli militia groups made sweeping gains, re-establishing control over the west coast from Tunisia to the government seat in Tripoli and waging assaults on the well-defended bases Haftar had used to stage his siege of the city, at al-Watiya and Tarhuna.

By April 2020 Turkey's intervention reversed matters in Libya. In March and April 2020 Haftar's forces lost seven western cities stretching from the capital all the way to the Tunisian border.

Turkey had changed the balance in Libya. The Daily Sabah confirmed on 14th June 2020 that President Erdoğan and US President, Donald Trump agreed via a phone call to work more closely in Libya to ensure lasting stability in the

country. *"We came to some agreements during our call,"* Erdoğan said about their conversation on Libya. A White House statement said Trump and Erdoğan discussed the war in the north African country, as well as Syria and the wider Eastern Mediterranean region. The New York Times confirmed *"Libya is the latest place where the two men have seemingly reached agreement, with Mr. Trump effectively greenlighting Mr. Erdoğan's military intervention, which has reshaped the conflict."*²⁴

The US has now gained control over both sides of the conflict. As Haftar was struggling to achieve US goals in Libya and take over Tripoli, the US turned to Turkey to infiltrate the militia groups that have been able to hold out against Haftar for years. Even with Russian support Haftar was unable to deal a fatal blow to the Tripoli government. Turkey has achieved in a few months what Haftar could not. The Al-Sarraj government is now beholden to Turkey for saving it against Haftar's onslaught. Whilst Russia has played a key role with Haftar. The talks of disarming the rebel groups on both sides is for Russia and Turkey to lead the political process and preserve America's interests at the expense of the Europeans.

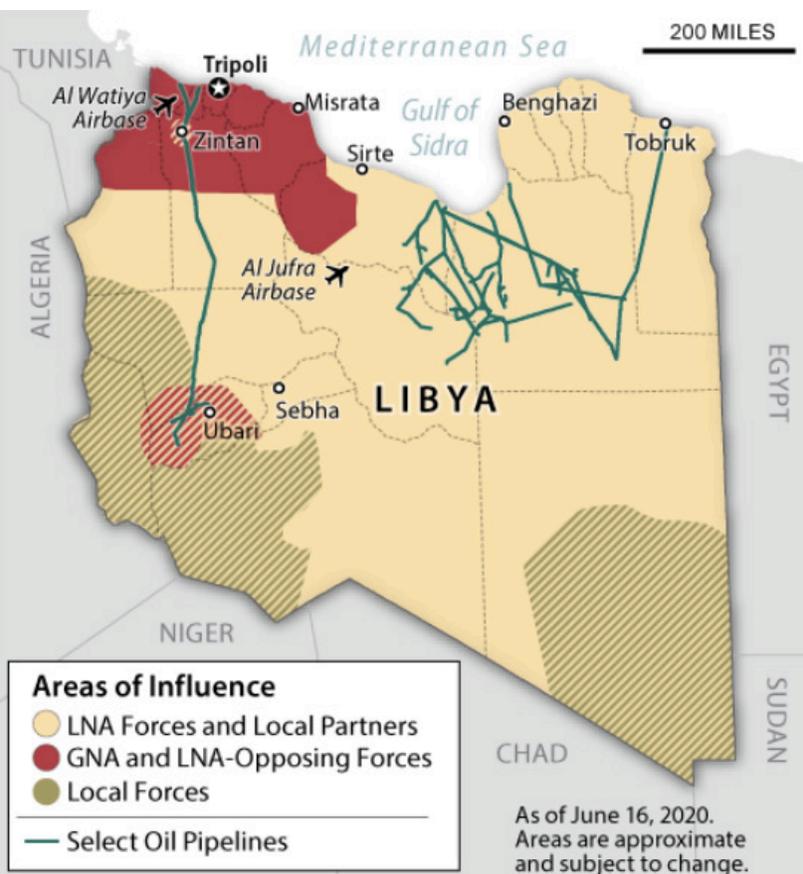
The al-Sarraj government was only able to halt Haftar's forces in western Libya through increased Turkish drone, air defence and electronic warfare deployments. It would need the same level of support from Turkey to advance into central Libya, which shows her dependency on Turkey now.

Based on this dynamic it's likely the US will get Russia and Turkey on behalf of both factions to negotiate a political settlement that maintains America's interests.

The US is on the verge of a major victory in Libya. Libya under Gaddafi was for long a tool the British used to increase her influence in Africa and defeat US plans. Gaddafi for long used the country's oil wealth to arm and fund different militia groups which targeted those that threatened British interests on the continent. Former British Prime minister Tony Blair was able to save Gaddafi when the American neocons wanted regime change in Libya after 9/11. But after the overthrow of Gaddafi in 2011 the Europeans have been unable to maintain full influence over Libya.

Libya has the largest oil reserves in Africa and successive EU reports have identified Libya as an alternative source of energy for the EU over Russia. This is all now in jeopardy as the US is on the verge of removing Europe from Libya. This then puts Algeria, Tunisia and Morocco under threat which has for long been European proxies.

Unless the Europeans can respond effectively and with strength this is the direction matters will likely go.



DÈJÁ VU IN MALI

Mali became the first nation in 2020 to experience a successful coup on 18 August 2020. Elements of the Malian Armed Forces began a mutiny with soldiers using pick-up trucks to storm the Soundiata military base in the town of Kati, 15 km from the capital, where gunfire was exchanged and senior officers arrested. Tanks and armoured vehicles as well as military trucks then headed for the capital, Bamako. The coup plotters detained several government officials including the President Ibrahim Boubacar Keïta who was forced to resign and dissolve the government. This is the country's second coup in less than 10 years but it seems lessons were learnt from the failure of the 2012 coup d'état.

Back in April 2012, Mali was thrown into turmoil when junior military officers from the bottom of the army overthrew the civilian government just a month before general elections were scheduled to take place. The coup attempt, which later failed, was facilitated by the US trained officer Omedua Amadou Haia Sanogo. The Rand Corporation confirmed “...the leader of a successful coup in Mali, Captain Amadou Sanogo, had received extensive training through the US International Military Education and Training (IMET) program.”²⁵ A US official also commented that “Capt. Amadou Haya Sanogo, who led a renegade military faction that on Thursday deposed Mali's democratically elected president, visited the United States several times to receive professional military education, including basic officer training”²⁶ The US had just expanded ties with Mali, signing a number of deals, including agreements to train Malian forces through hand-picking officers that would travel to the US for training.

Coups from the bottom of the army have the highest rate of failure and in the case of the Malian junior officers in 2012 they failed to consolidate their position despite carrying out a successful coup. They had not established a support-base prior to their coup attempt and as result of the coup, the country's security apparatus fell apart and the whole North of Mali was taken over by the Tuaregs and a number of other tribal groups in the region. The junior officers that undertook the coup failed to halt the expansion of the Ansar ud-Deen and then capitulated in the face of the insurgent group's onslaught, losing a number of key towns in central Mali as a result. The failure of the officers to consolidate their position was fatal to their efforts.

This was a critical omission by the junior officers as



the political elites in Mali were created by France and the class being overthrown was a big loss to the former colonial master. Mali is central to French plans in the Sahel region. As a result France labelled the whole North of Mali to be under the control of extremists linked to al-Qaeda who were expanding and threatened the whole region. France was able to obtain resolutions from the UN Security Council to intervene in northern Mali. 15,000 international forces were cobbled together, mainly from France and Europe. France was able to restore her influence via establishing a new government in less than a year and a half after the 2012 coup. France was able to restore the erstwhile political class and President Abu Bakr Keita was elected for the first time in August 2013 and then re-elected for a second term in 2018. This was the culmination of US failure to sustain and consolidate influence in the country at the time.

If You Don't Succeed, Try Again

On 18 August 2020 Mali experienced a coup, by junior officers from the bottom of the army, again. Once again it was led by another US trained officer, Col. Assimi Goita. According to the Washington Post: *“The military officer who declared himself in charge of Mali after leading a coup that ousted the West African nation’s president this week received training from the United States, the Pentagon said Friday... Col. Assimi Goita, who emerged Thursday as the head of the junta in power, worked for years with U.S. Special Operations forces focused on fighting extremism in West Africa. He spoke regularly with U.S. troops and attended U.S.-led training exercises, said officers from both countries, who spoke on the condition of anonymity because they were not authorized to discuss the matter publicly.”*²⁷



However, unlike back in 2012, the coup had public support. Military Spokesman Ismael Wague highlighted: *“We are going to set in place a transitional council, with a transitional president who is going to be either military or civilian.”*²⁸ The announcement established that there was a prior agreement to form this national committee, which included six military personnel and eighteen civilians. They were to act as the transitional legislative body. Clearly, the coup plotters had already engaged elements of civil society, national unions and opposition parties, who had agreed to be part of the post-coup process. The coup saw an influx of people storming the streets of Bamako celebrating the downfall of the President. A supporter of the opposition, Mariam Cissé told the AFP news agency that she was *“...overjoyed, we won. We came here to thank all the people of Mali because it is the victory of the people.”*²⁹

Whilst public support is not essential for the success of a coup it is, however, necessary for the solidification of a coup. In the case of Mali this was possible because Ibrahim Boubacar Keita had already lost public support due to economic turmoil, corruption, and insecurity in Mali. Demonstrations had been taking place for months against his government. This is the key factor the 2012 coup lacked, which gave France a window to justify intervention. The junior officers in 2012 did not have public support and could not quickly acquire it as insecurity gripped the nation. This set the public against it and allowed France to redirect events in her favour. On this occasion, however, the coup plotters got the opposition to agree to the takeover. The opposition came out and openly supported the coup when it took place. In a statement, the M5-RFP said: *“it took note of the commitment”* the junta has made to *“open a civilian political transition”* and would work with it on *“developing a roadmap”*. The coalition’s Choguel Maiga told journalists *“we will organise the biggest patriotic rally on Friday”* in Bamako and nationwide in order to *“celebrate the Malian people’s victory.”*³⁰

France regards Mali as one of her key former colonies in Africa; her response will have to be more tactical because it cannot intervene on the grounds of extremism or insecurity. This is because the ‘change’ in Mali is welcomed by the people, which complicates matters for France and marks a success for the US to get a foothold in the Sahel region. With Libya on the verge of falling into the hands of those who the US propped up, the European position in North and West Africa is under risk of being snatched by the superpower.

Andy Duhon (left), a former US special operations forces officer, got to know the Mali coup leader Colonel Assimi Goita (right) while serving as a go-between for the American diplomatic mission and the United States Special Operations Command Africa.

GETTING TO THE ROOT OF THE FRENCH PROBLEM

The republication, by French satirical magazine Charlie Hebdo, of a controversial series of cartoons depicting the Prophet Mohammed (saw) to mark the beginning of a trial over the attack on its office in 2015, has once again brought to attention the tensions between France and Islam. The images sparked another round of violence, leading to the death of a French primary school teacher in October 2020. French President Emmanuel Macron has put the blame squarely on Islam stating *'Islam is in crisis all over the world.'*³¹ France, has for long had a difficult relationship with Islam and its adherents, however it now faces far deeper problems than its 6.5 million immigrants.

In 1789, France established a strong nation in the centre of Europe through the French Revolution. The French executed their King and became the first people to embrace individual freedom and secularism in Europe as values to build their socio-political system upon. The French were leading change in Europe and pioneering new systems; this is why many thinkers and philosophers of the era were French e.g such as Voltaire. The French have ever since taken great pride in this era of history citing it as a core part of the French identity.

Soon after, they turned their attention to Europe and beyond. France's military hard power conquered with brutal efficiency, whilst spreading its soft power via its secular liberal culture. Napoleon swept across Europe through conquest, forging alliances and through rewarding supporters, he even attempted to conquer Russia, which he achieved, but at the cost of his army. France, much like Britain established numerous colonies and laid claim to a number of North American territories; the West Indies, the Caribbean and much of West Africa. Whenever France established a colony it would impose its culture - the French language, European secularism, individualism and the French lifestyle upon the people. This was a major departure from the other Europeans colonialists, who conquered for the sake of resources and wealth alone. The French also did this, but saw the creation of a Francophone Empire as their enlightenment mission. The French colonial policy was 'we want to see you become French.' French secular liberalism became its soft power that all too often complemented the empire's hard expansion.

The most important colony for France was the North African Territory of Algeria. The French conquered Algeria in 1830 and immediately set about dominating

the land. Their main strategy was to make it part of France so it would be ruled as one nation. They attempted to do this by sending hundreds of thousands of Europeans known as pied-noirs to Algeria as settlers. But France struggled to control and maintain Algeria. Within the first three decades (1830-1860) of the conquest, up to 1 million Algerians, out of a total population of 3 million, were killed by the French due to war, massacres, disease and famine. The Muslims of Algeria resisted the French occupiers and settlers and in 1903 the colonial forces used chemical weapons, mass executions of prisoners and civilians, concentration camps and other atrocities in order to put down the uprising. The whole French occupation of Algeria consumed significant resources and there was one single cause for this, which Charles-André Julien outlined in Foreign Affairs in 1940: *"The capture of Algiers in 1830 marked a significant departure in the expansionist policy of France, for North Africa was quite unlike older French colonial possessions in the Caribbean Sea and the Indian Ocean. The French soon discovered that North Africa did not produce tropical goods and that the native population could neither be destroyed to make way for European colonists nor enslaved to work for them. They also found that Islam provided the natives with a religious and a cultural ideal which they would stubbornly defend. France had not been fitted by experience to understand and govern an Islamic people."*³²



By the middle of the 20th century the global balance of power was changing. Whilst France and Britain were the dominant powers, WW2 changed everything. The Nazis humiliated the French republic by conquering her in a mere 44 days. As far as Hitler was concerned, the French colonies were now German colonies and the Vichy regime was set up to manage the possessions. Whilst the Nazis ultimately were defeated, when the war ended in 1945 France was devastated and bankrupt. The new powers - the US and Soviet Union, believed the era of European colonialism was over and both France and Britain needed to give independence to their colonies. For France, who was devastated after WW2 it needed to maintain its colonies as it needed the wealth and resources to kick start her economy and it now desperately needed workers to come to France in order to rebuild the nation.

France has had a hard time in the post-WW2 world attempting to regain her former position in the world arena. As the 20th century wore on, France's place and influence on the world has only declined. Following independence, a number of its former colonies drifted closer to the USA. As far as the French were concerned they were on an enlightenment mission and the more colonies she possessed her enlightenment mission was progressing. The decline of French influence across the world is something the French people have struggled to come to terms with. What did not help was the claim

successive French leaders propagated: that France was a power that could stand on its own in the world. Until 2007 all of France's post WW2 Presidents experienced the devastation of WW2 and saw France as a power that needed to stand tall in the world. France's first President who did not experience WW2 was Nicholas Sarkozy in 2007 who concluded that France neither had the military nor economic capability to stand alone in the world, and decided standing with the US as its key ally in Europe was the best way to keep France relevant on the world stage.

France's dwindling influence in the world has had an adverse effect on French society. Successive surveys of the French people continue to reveal a population frustrated with the new status quo. At the turn of the century, Time magazine declared French culture was 'dying'.³³ France, once famous for its *joie de vivre* (joy of living), is suffering from existential gloom; Claudia Senik, a professor at the famous Sorbonne University concluded the French were now culturally miserable. Her studies of the French *malaise*, she believes dates back to the 1970s: *"It's linked to the way the French view the world and their place in it. They have high expectations about the quality of life, freedoms and many values driven by the French Revolution and this sets a high benchmark for satisfaction,"* Senik says. *"They look back at a golden age when France made the rules of the game, and now we are just another smallish country forced to accept and adapt to rules."*³⁴



Whilst the French believe they have superior values, these values are failing to solve the myriad of problems the country is facing. On the economic front the French Social Democratic model, where the government plays a large role in the economy, hides the country's huge inequality. The richest 10% of the country own 55% of the nation's wealth and income inequality is far worse. The French social security system had for long been the solution to this, but it is now the cause of a national debt exceeding the nation's GDP. Individualism in France has for long been promoted as a French value but it has resulted in France having Europe's highest rate of use of mood-altering drugs, and one of the highest rates of suicide. France is now regularly found in the top ranks of European consumers of tranquilizers and alcohol. The French have been found in polls to be one of the most unhappy people in the world.³⁵ Liberty, equality and fraternity may be the French motto but they have done little to deal with inequality, divisions and abuse of power in France.

When President Jacques Chirac set up the Stasi commission in 2003 to look at the state of secularism in France, the commission blamed religious symbols, especially the Muslim Hijab as the threat to the French republic. A piece of cloth worn by an extremely small segment of the country became the central threat to secularism! Banning the Hijab in education, and the Muslim veil in public was seen as reversing the decline of Secularism in France. The Muslim veil is still illegal in public, despite face masks being mandatory! Immigration is being blamed

as the cause of the problems France is facing, but despite France having the largest percentage of immigrants as a percentage of population in Europe, there are just 6.5 million immigrants in France out of a total population of 67 million. The French view all immigration through the lens of French values. As discontent in the state of the country has increased, so too has the aggressive stance towards those new arrivals who fail to live by the French ideals.

France regularly tops surveys on the level of misery and the lack of hope in the future. The Yellow vest protests that brought France to a stand still prove it is not its Muslim minority who are the cause of the country's problems but the failure of the political class and systems, which is a wider problem across the developed world. Freedom has become synonymous with social problems such as family breakdowns, depression and loneliness. Secularism separated church and state, but money and politics has poisoned the political systems across the West - systems that have failed to deliver for the people. French politicians constantly deflect discussions around this by blaming immigrants and Muslims and that's why today the muscular, state-imposed liberalism resembles a rigid new age conservatism confronting its 6.5 million minority immigrants - immigrants who came to France seeking a better life, but arrived at a time when the French people themselves were losing hope in their values, state and nation.

CONCLUSIONS

Europe is facing a perfect storm as multiple crises all converge at the same time. Europe's purpose, shape and form, funding and future are converging as Europe is becoming more and more irrelevant in the world. In 2020 the US stepped up a gear, despite all her problems at home to reduce the remaining influence the continent has in Africa, this is likely to grow and spread as the US takes over from regions and nations Europe historically dominated. The EU's first member has left the union which doesn't bode well for the continental bloc as it makes leaving the EU a viable option for other nations. Europe now has significant challenges in the continent which will affect her capabilities beyond the region.

GLOBAL ECONOMY

The global economy has taken a hammering in 2020 due to the strategies to deal with COVID-19. The world's largest economies all took major hits and saw significant declines in GDP. But despite this, the COVID-19 pandemic has been seen as an opportunity by a number of global organisations to announce a move to a new global economy by the embracement of a digital transformation which is now called the global reset.



THE GLOBAL PANDEMIC

The first reports of a disease caused by the severe acute respiratory syndrome Coronavirus-2 was in Wuhan, China, in December 2019. The WHO declared the outbreak a Public Health emergency of international concern on 30 January 2020 and a pandemic on 11 March 2020. At the end of 2020, more than 100 million cases of COVID-19 have been reported, resulting in more than 2 million deaths.

Most of the world was slow to respond and when they did many governments responded by implementing travel restrictions, lockdowns and facility closures. The pandemic and subsequent response has caused global social and economic disruption, including the largest global recession since the Great Depression and global famines affecting 265 million people. It has led to the postponement or cancellation of sporting, religious, political, and cultural events. Schools, universities, and colleges have also been closed either on a nationwide or local basis in 172 countries, affecting approximately 98% of the world's student population.

Three broad strategies emerged in how countries have dealt with the COVID-19 outbreak.

1. The Herd immunity approach – This is where the virus is allowed to burn through the population while attempting to protect the vulnerable from increased risk of exposure. It would eventually run out of steam when there are no more people to infect.

2. The lockdown method - Severely restrict people's movements and attempt to confine people in their homes and thus starve the normal interactions that would allow the virus to spread within society.

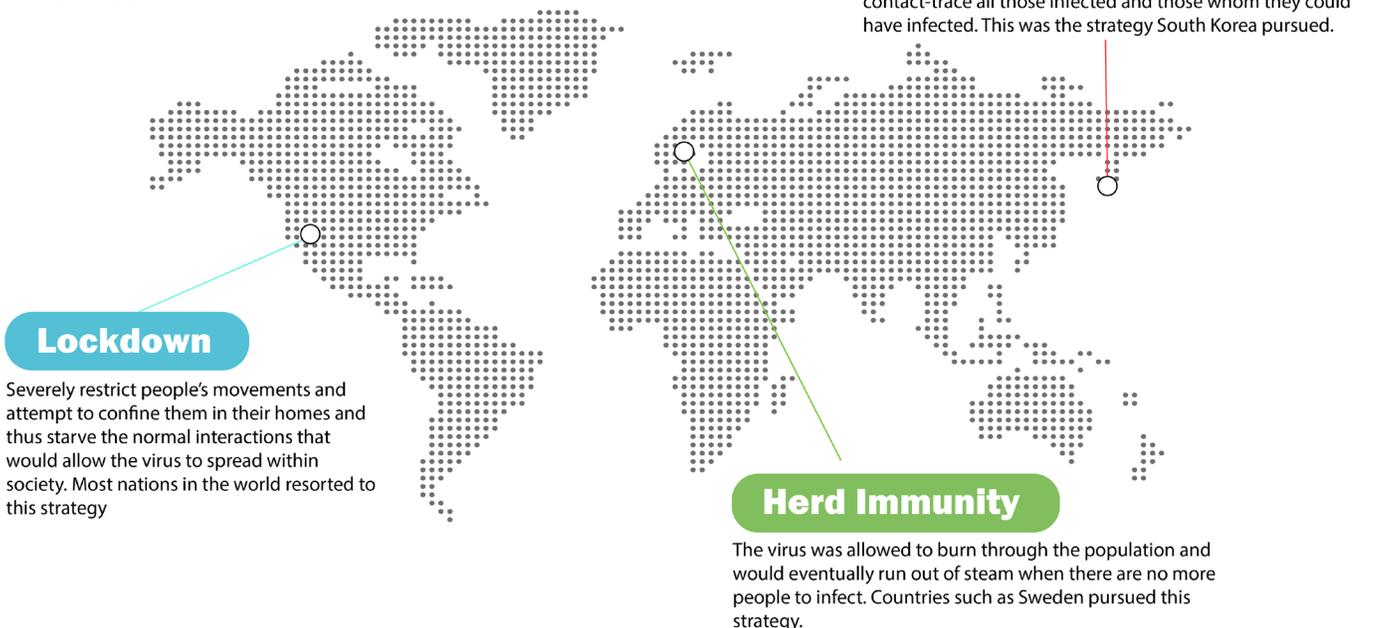
3. Testing - Wide scale testing of all suspected cases and then isolate and contact-trace all those infected and those whom they could have infected.

All three strategies had some rationale as well as trade-offs. The herd immunity approach may have helped build immunity in the long term and allow societies to continue to function (at least in the short term) but it posed a significant risk to vulnerable members of society. It could easily lead to mass infections and hospitalisations that lead to overwhelming the health services and thus greater mortality rates.

As for the lockdown method, this had massive implications on the economy and the lives of everyone within society. It can be effective, if one is to believe the figures that came out of China, but needed to be implemented very early and has to be total in its application. However, the long-term impact on people's lives has been devastating. Loss of income, businesses and potential devastation to people's lives (even some unintended deaths). Lockdowns took national economies offline and devastated jobs, GDP and investments. In many cases the lockdowns were far worse the virus itself. The UK, US, Germany, Eurozone and Japan saw their economies shrink in excess of 10% in just one quarter. Whilst a recession was expected in 2020, such contractions are great depression territory. India and

COVID STRATEGIES

Three broad strategies emerged in how countries have dealt with the COVID-19 outbreak



the US saw 25% of their workforce lose their jobs, whilst Russia, Canada and Austria saw job losses of over 10% for their workforce.

Governments across the world attempted to soften the blow by providing payroll support and grants, but such a large drop due to lockdowns affected markets, supply chains, investments and the future prospects of whole industries. The damage of lockdown to economies has been immense

The wide scale testing of people has been implemented in places such as South Korea, Singapore and Japan: it has allowed normal day to day businesses and lives to continue for the vast majority of healthy people within society. Schools remained open, restaurants, shops and even places of worship. It's been shown to have dramatically slowed the

infection rates and even reversed them in some countries. It allows greater targeting of care for the vulnerable and thus better medical treatment and outcomes (and lower mortality rates). But the main prerequisite for this approach is that it requires good societal infrastructure. Countries like Singapore and South Korea developed these strategies due to their experiences with SARS and even MERS. It meant they were able to act fast, locate people who even shared taxi journeys with infected drivers as well as people who were at the same restaurants.

Most of the world pursued lockdown as a strategy and this has left significant damage to national economies and the global economy. The second round of lockdowns has made worse the situation created by the first lockdowns and will make recovery longer and more difficult for the global economy.

SWEDEN'S HERD STRATEGY

Sweden has been credited for not having a draconian lockdown as it pursued herd immunity for her 10 million population. Sweden avoided a lockdown and instead emphasised personal responsibility, social distancing and good hygiene in a bid to slow rather than eradicate the disease. By eschewing lockdown and aiming for herd immunity Sweden may now be paying a heavy price.

Swedish public health authorities have defended their decision not to lock down the country in response to the global COVID-19 pandemic in March 2020. Schools were closed to children over 16 and gatherings of more than 50 people were discouraged, but bars, restaurants, and other public spaces remained open, and citizens were trusted to distance themselves. At the heart of the government's strategy was the implicit idea that, rather than contain the spread of the disease, a country could achieve herd immunity by allowing a proportion of the population to be infected—at the expense of deaths among the vulnerable. As case numbers drastically increased around the world and death tolls rose across Europe, Swedish experts, and indeed the public, remained supportive of the strategy.

In spring, at a time when countries across Europe were recording alarming surges in daily COVID-19 infections, Sweden had recorded her lowest rate of positive tests since the virus emerged, leading many to question whether the Nordic country's relaxed approach to lockdown paid off. The small country of 10 million

people carried out a record number of new coronavirus tests in November 2020, with the national health agency reporting that only 1.2% coming back positive, the lowest rate since the pandemic began and much better than many countries on the continent.

But Sweden had one of the highest death rates per total population in Europe with this strategy. More than half the deaths occurred in care homes for older people. Anders Tegnell, who led the strategy as the state epidemiologist admitted too many have died.³⁶ Sweden's higher rates of viral infection, hospitalisation and mortality compared with neighbouring countries raises many questions about perusing herd immunity as a strategy.

The strategy may have serious implications for Scandinavia and beyond. In May 2020, the WHO said that global studies had found antibodies in only 1-10% of the global population, with similar findings emerging from Spain and France. The agency warned against any country depending on herd immunity as a strategy. Sweden failed to protect her elderly population, who made up the majority of those who died from COVID-19 there. This speaks to the difficulty of applying an idealistic, laboratory model of separating the infected from the most vulnerable to the real world: The country reported her highest death tally in 150 years in the first half of 2020. Despite these efforts, it's a relatively small size compared to the UK and the US, Sweden is not even close to achieving herd immunity.

A NEW GLOBAL ECONOMY

The international liberal order that was set up after WWII saw two rival blocks fight it out for global supremacy. The US led the liberal bloc with global free markets, supported by a raft of international organisations such as the IMF and the World Bank. The Eastern bloc struggled to reach the trade and GDP levels of the Western bloc and self-destructed in 1991.

The collapse of the Soviet Union and the end of the Cold War led to an unprecedented period of primacy and freedom of action for the US. What emerged was globalisation on steroids. The World Bank and IMF took the opportunity to become more prescriptive in their approach to countries through the use of structural adjustment programmes. In 1994, the General Agreement on Tariffs and Trade, a host of trade treaties binding countries to reducing barriers to trade, was formalised as the World Trade Organization (WTO). The primacy of these liberal institutions heralded a huge increase in global trade and capital flows. These led to massive gains for multinationals and financial institutions in both Europe and America.

But the high hopes for this era were not to last. The WTO was meant to provide a means for liberal free market states to preach their doctrines to the lesser nations of the world. It was also intended to put greater pressure on emerging economies to follow capitalist prescriptions for reduced government intervention in the market, and greater involvement of the private sector in the provision of public goods such as water, energy, education and healthcare.

However today we live in a world where over half the world's wealth is in the hands of just eight people. Over a billion people in the world have no access to clean water. For broad swathes of the population of Europe and America that see manufacturing jobs moving abroad, and service jobs drawing in aspirational immigrants from other lands, blame is being put on the governments and institutions that hailed free trade as a saviour. The anger and resentment that has been generated is being harnessed by political movements and populist leaders who promise to give power back to the people. The global economic crisis

in 2008 caused by the financial, industry showed many that the fruits of the liberal order were enjoyed by the few whilst the vast majority live on the crumbs. Whilst transnational corporations and the rich paid little taxes and place their money in tax havens many in the developed world saw more and more of their wealth being taken by the state. It is in this context that we now see the promotion of the great re-set

The Great Reset

At a virtual meeting in June 2020, hosted by the World Economic Forum (WEF), which included some of the world's most powerful business leaders and government officials, they announced the "re-set" of the global economy outlining that traditional Capitalism, and the global economy should adopt wealth taxes, additional regulations and a massive Green New Deal-like government programmes. *"Every country, from the United States to China, must participate, and every industry, from oil and gas to tech, must be transformed,"* wrote Klaus Schwab, the founder and executive chairman of the World Economic Forum. *"In short, we need a 'Great Reset' of capitalism."*³⁷ In October 2020 the IMF said similar when its managing director called for a *"new Bretton Woods moment."*³⁸

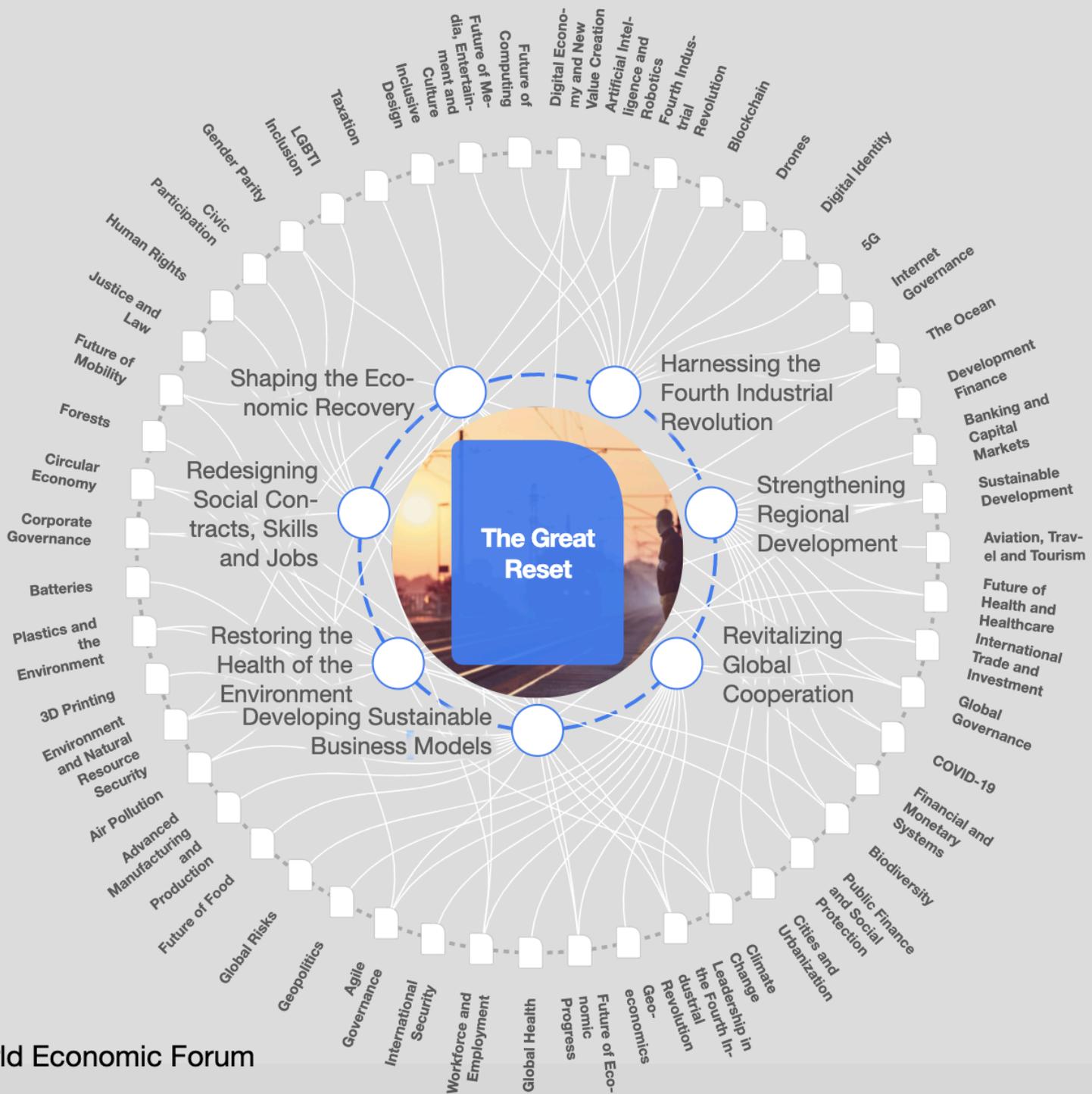


Also joining Schwab at the WEF was Britain's Prince Charles, Gina Gopinath, the chief economist at the IMF, António Guterres, the secretary-general of the United Nations and CEOs and presidents of major international corporations, such as Microsoft and BP. Activists from groups such as Greenpeace International and a variety of academics also attended the event or have expressed their support for the Great Reset. The Time Magazine also dedicated its October 2020 publication to its readers to understand the Great Reset, which included a whole section towards the reset ideas.

The general principles of the plan were laid out and its

context: *"COVID-19 has shown us that our old systems are not fit anymore for the 21st century. It has laid bare the fundamental lack of social cohesion, fairness, inclusion and equality. Now is the historical moment, the time, not only to fight the virus but to shape the system for the post-corona era."*³⁹

The main theme of the gathering was that the COVID-19 pandemic has created an important *"opportunity"* for many of the World Economic Forum's members to enact their radical transformation of capitalism, which they acknowledged would likely not have been made possible without the pandemic. *"We*



have a golden opportunity to seize something good from this crisis — its unprecedented shockwaves may well make people more receptive to big visions of change. It is an opportunity we have never had before and may never have again,” said Prince Charles at the meeting.⁴⁰ Klaus Schwab, the founder of the World Economic Forum also added: *“the COVID-19 crisis is affecting every facet of people’s lives in every corner of the world. But tragedy need not be its only legacy. On the contrary, the pandemic represents a rare but narrow window of opportunity to reflect, reimagine, and reset our world to create a healthier, more equitable, and more prosperous future.”*⁴¹

The Great Reset wants to fight against problems such as racism, nationalism and climate change. It wants to deal with equality, inclusion and help for the poor. It wants to achieve this through a few ways. Through a digital transformation that will require trust in emerging technologies such as artificial intelligence (AI), 5G, Blockchain and robotics in order to usher in a new global order. The Great Reset sees the fourth Industrial Revolution as a key aspect of transformation. As the WEF said: *“We have to make sure that the new technologies in the digital, biological and physical world remain human-centred and serve society as a whole, providing everyone with fair access.”* The WEF continued: *“...this global pandemic has also*

demonstrated again how interconnected we are. We have to restore a functioning system of smart global cooperation structured to address the challenges of the next 50 years. The Great Reset will require us to integrate all stakeholders of global society into a community of common interest, purpose and action.” In order to bring about the Great Reset, it will require trust in digital technology, and more specifically trust in “crisis-relevant tech,” which includes developing digital health passports and contact tracing, under a new form of internet governance.

Those behind the Great Reset have decided that ‘Capitalism and Socialism will need to merge. The Great Reset also envisages the COVID-19 crisis as permanent and sees the state and corporations working together to eliminate climate change. The literature from the WEF outlines that we need to steer the market toward fairer outcomes. This means a top down approach with global corporations and governments steering the global economy and national economies. The Great Reset is already endorsed by the world’s largest corporations, G7 governments and global institutes. It envisions a future global economy where the people receive universal basic income and where central government with the private sector invests in the technologies to deal with climate change. Whether it succeeds remains to be seen.

“The pandemic represents a rare but narrow window of opportunity to reflect, reimagine, and reset our world.”

Klaus Schwab

Founder and Executive Chairman, World Economic Forum



War plays a central role in geopolitics. Military capability is essential to defend one's people and to make war. Whilst energy, politics, economics, and technology are also important areas for geopolitics for *Strategic Estimate 2021* we look at the nature of warfare today and its key components. Whilst warfare is a broad topic covering many areas, there are some key areas, developments and emerging trends.

Since the dawn of time, war has been a permanent feature of the human condition. Throughout the ages war has changed as new developments emerged, the use of gunpowder revolutionised war as well as industrial war in the 20th century. The ability of any nation or people to defend her borders from foreign threats has been part of human existence from the very beginning of time.

For a nation to be considered independent, protecting her territorial integrity is essential otherwise her very existence comes into question. A nation that is able to secure her territorial integrity can then focus on internal development and prosperity, not having to worry about external interference. This situation is achieved through the development of an industrial base that manufactures military equipment. This then makes a nation capable of defending her borders and also makes her self-sufficient in this endeavour. This deterrent capability also gives a nation power projection capabilities, this then allows it to play a role in the world, well beyond her borders.

Throughout history civilisations, nations, tribes and empires constructed armies to defend their lands; they built weapons industries of varying types and harnessed whatever technology was possible in their era to defend their lands and project power. A cursory glance at history shows world powers all possessed armies, advanced weapons and a cutting edge over their competitors. The Roman Empire, the British Empire, the USA, Bonaparte's France, Nazi Germany, Imperial Japan and the Soviet Union all constructed military industries and armies so they could defend their borders and project power globally.

It is not surprising those nations that have advanced military industries are also the world's powers and have developed an international system that protects their interests.

THE GEOPOLITICS OF WARFARE



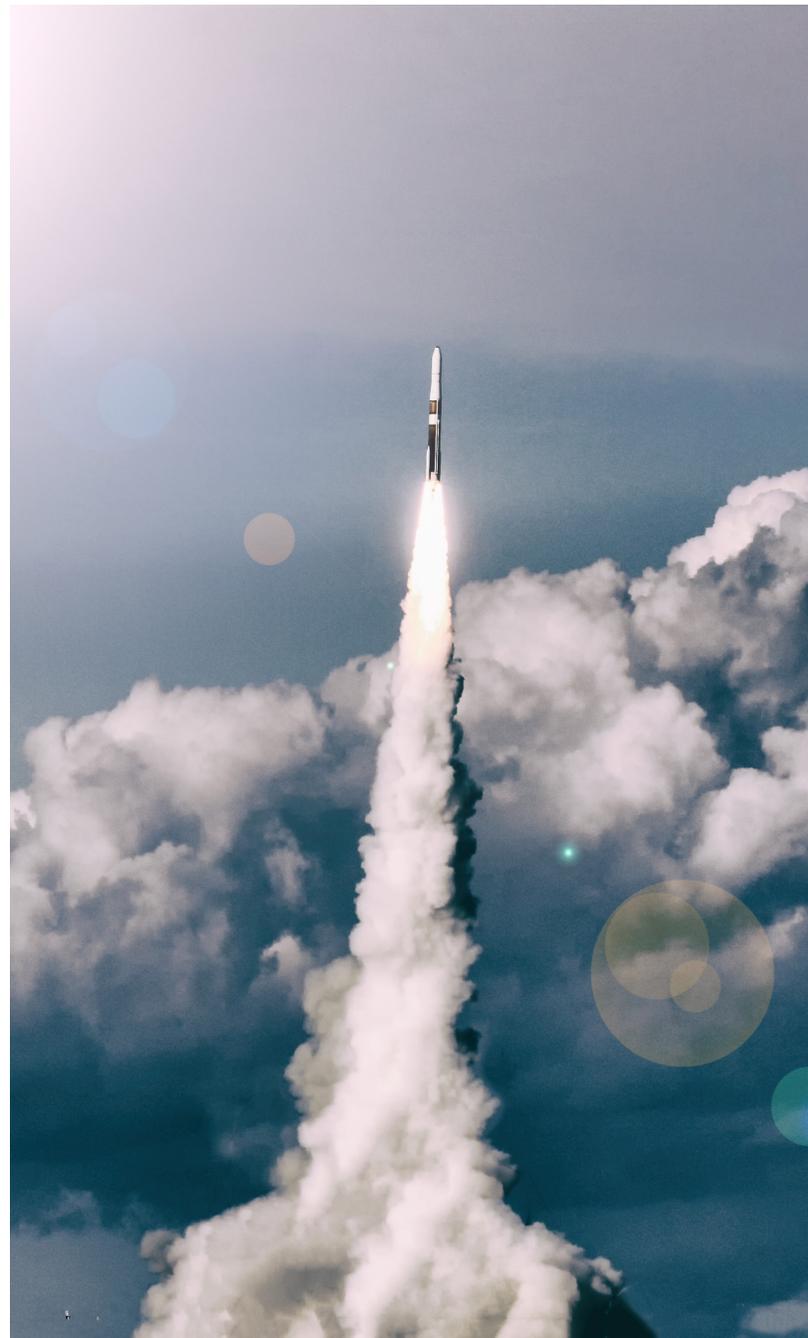
21ST CENTURY WARFARE

In the last few decades war has shifted from confined spaces with lots of troops and equipment, such as the tank battles in the Sinai in 1973. This has shifted to vast spaces that include cities and deserts with small numbers of combatants hidden inside them. Whilst killing the enemy was easy, finding him is what was difficult. The ability to locate him is what became essential. In the wars of the past, it was just a matter of killing the enemy at his centre of gravity. In the 21st century there will still be state-to-state warfare. But for the last two decades what is defined as unconventional war or guerrilla war means a vast battle space with small numbers of combatants hiding inside that space.

Precision guided weapons in the 21st century are the weapons of choice. They were introduced in the 1970s by the US when they destroyed a critical bridge in Vietnam, which they had failed to do for years. Prior to this it took thousands of bombs to take out a target. This required hundreds of planes, large numbers of crews, steel and aluminium plants which all acted as supply lines. The industrial nature of war grew due to the imprecision of weapons. In World War One (WWI) it took thousands of rounds of ammunition to kill one man as a result a large numbers of weapons were needed. With the introduction of precision-guided munitions a plane with one piece of munition (e.g. missile) would be able to destroy the enemy. Today one aircraft has the same lethality as hundreds in the past. Today, precision-guided munitions, guided by satellites, no longer require huge ordnance to do damage. A single drone firing a small to medium size missile can do the same amount of damage as decades ago would take a whole wing of an air force to drop. In WWII thousand-bomber raids that killed tens of thousands of people, took place just to destroy one factory. Such a target today can be attacked by a single drone.

The 1991 war between the US and Iraq precipitated a major rethink in military doctrine. Especially amongst those that relied upon the Soviet doctrine which emphasised an extremely large number of ground forces who were generally poorly equipped, as guarantors against possible invasion by external powers. What became clear from the annihilation of the Iraqi army, which was similarly equipped and followed a similar doctrine to the Soviet military, was that modern precision weapons could quickly obliterate soviet era equipment, and that the standoff afforded by these systems ensured minimal casualties to the military force using them.

The Revolution in Military Affairs (RMA), which continues today, has transformed warfare. This war theory proposed the use of revolutionary technology over personnel numbers. Large mechanised formations are easily neutralised by helicopters and fixed wing aircraft equipped with precision anti-tank guided munitions (ATGM). Furthermore, situational awareness from C4i systems (Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance) has a force multiplier effect, which allows relatively small armies to defeat much larger less sophisticated armies. C4i refers to the ability of military commanders to utilise cyberspace, computers and modern communications technology to direct forces in real time in a battle zone.



MAKING WAR

The starting point for any nation's security begins with the development of a military-security doctrine. This doctrine shapes the nation's posture, laying out clear aims and a nation's perceived threats. This will then determine the types of weapons systems that should be developed or acquired and how military forces should be structured.

A doctrine is a guide to action and not rules or regulations. A doctrine provides a common frame of reference across the military. It is a clear strategy and definable set of threats. It helps standardise operations, facilitating readiness by establishing common ways of accomplishing military tasks.

Upon determining a nation's security doctrine, one can construct an industrial base that will allow for the aims of the doctrine to be achieved. A defence industrial base is the industrial assets that produce the equipment for a country's armed forces. Any nation will need to make a decision on what her industrial capacity is and where it should be, and what, if anything, should be developed or brought in from abroad. Any industrial base will be determined by a nation's strategic doctrine - this will clearly outline threat perceptions, deployment of forces, procurement priorities and technology systems.

In order to defend any nation's homeland, the land, air and sea needs to be secured. Infantry (ground forces) protect a nation's borders by securing territory. They will need to be armed individually and in structured units and transported to the battlefield. Mobilising ground forces is through them being mobile, which is achieved through the utilisation of Tanks, Personal Armoured Carriers (APC) and Artillery.

The airspace of a nation will also need to be secured from foreign aggressors. Fighter jets are the primary platform used to achieve this along with missiles.

The third theatre is the sea. Through a nation's navy, combat in and on seas, oceans, or any other major bodies take place. Dominating naval warfare requires ships – cruisers, destroyers and frigates. It also needs submarines and aircraft carriers which in the modern era gives a nation significant power projection capability.



These are the traditional theatres for warfare and have historically been the battle-space war has taken place in. There are other theatres that are developing such as outer space and information. Weaponising space has long been an aim of the world's powers. This is placing weapons in space that can target enemy assets on the planet. The development of Intercontinental Ballistic Missiles (ICBM) is what gave prominence to this theatre. Information warfare includes cyber warfare, sabotage, espionage and hacking. The need for military personnel to communicate in real time and ensure they are working in an integrated way led to rapid developments in communications, especially the internet, this area is now considered the electronic battlefield.

Multiple factors contribute to military capability. Ships, aircraft, vehicles, and ballistic missiles can be relatively easy to count, but quantity is only one aspect of a country's military capability. Other factors include the technological sophistication of those platforms and weapons; capabilities for knitting platforms and weapons into networks; supporting maintenance and logistics capabilities; the quality, education, and training of personnel; and the realism and complexity of exercises. Some of these factors are harder to observe and evaluate than others.

THE CENTRALITY OF LOGISTICS

In any military campaign, an appreciation of geography is key and getting your troops to where they should be and supplying them with equipment is critical. In James Dunnigan's *A Comprehensive Guide to Modern Warfare* in the 21st century, the importance of logistics (or supply lines) was outlined: *"If the troops have no ammunition, they can't do much damage to their opponents. Without food and medical supplies, your soldiers will melt away without ever fighting the battle. Without spare parts and fuel for their vehicles and equipment, this gear quickly becomes inoperable. The task of supplying ammunition, food, fuel, spares and other items to the troops is called 'logistics.' It's not a very glamorous task and is often neglected, such lack of dedication normally leads to disasters. It's an ancient military maxim that 'amateurs study strategy and tactics, professionals study logistics.'*"⁴²

Logistics is one of those topics that seldom gets headlines but is central to successfully wage war. In any war troops, weapons, equipment, supplies and many other items need to be shifted into the warzone and during the war be constantly moved again. As armies have become more mechanised more vehicles, more ammunition and more parts need to be supplied. A non-mechanised army requires 15-30 pounds of supply per man per day. Every 1000 ton of supply keeps 100,000 men in combat for a day. A railway, under war conditions moves around 50 or more carriages a day, which is equivalent to 20,000 tons a day. Trains are cheaper to utilise, but railways are not available all across the battle zone. Roads will also need to be used.

Depending on the quality of the road around half of the traffic in trucks can be moved at even more expense (more trucks, more breakdowns etc). Today's mechanised armies have more vehicles and weapons and require over 10 times as much supply per man. This is why it should be no surprise America's decade long wars in Iraq and Afghanistan cost over \$6 trillion.⁴³

This is why all wars include the deliberate targeting of an opponent's supply lines, destroying a nation's supply and transportation. The allies' blockade against Germany in WWI succeeded in choking off German oil supplies. This was achieved by British forces systematically destroying the oilfields, dynamiting derricks, plugging wells, crippling pipelines, and setting storage tanks on fire.

With centuries of experience in warfare the West developed her views towards logistics. Today there are two

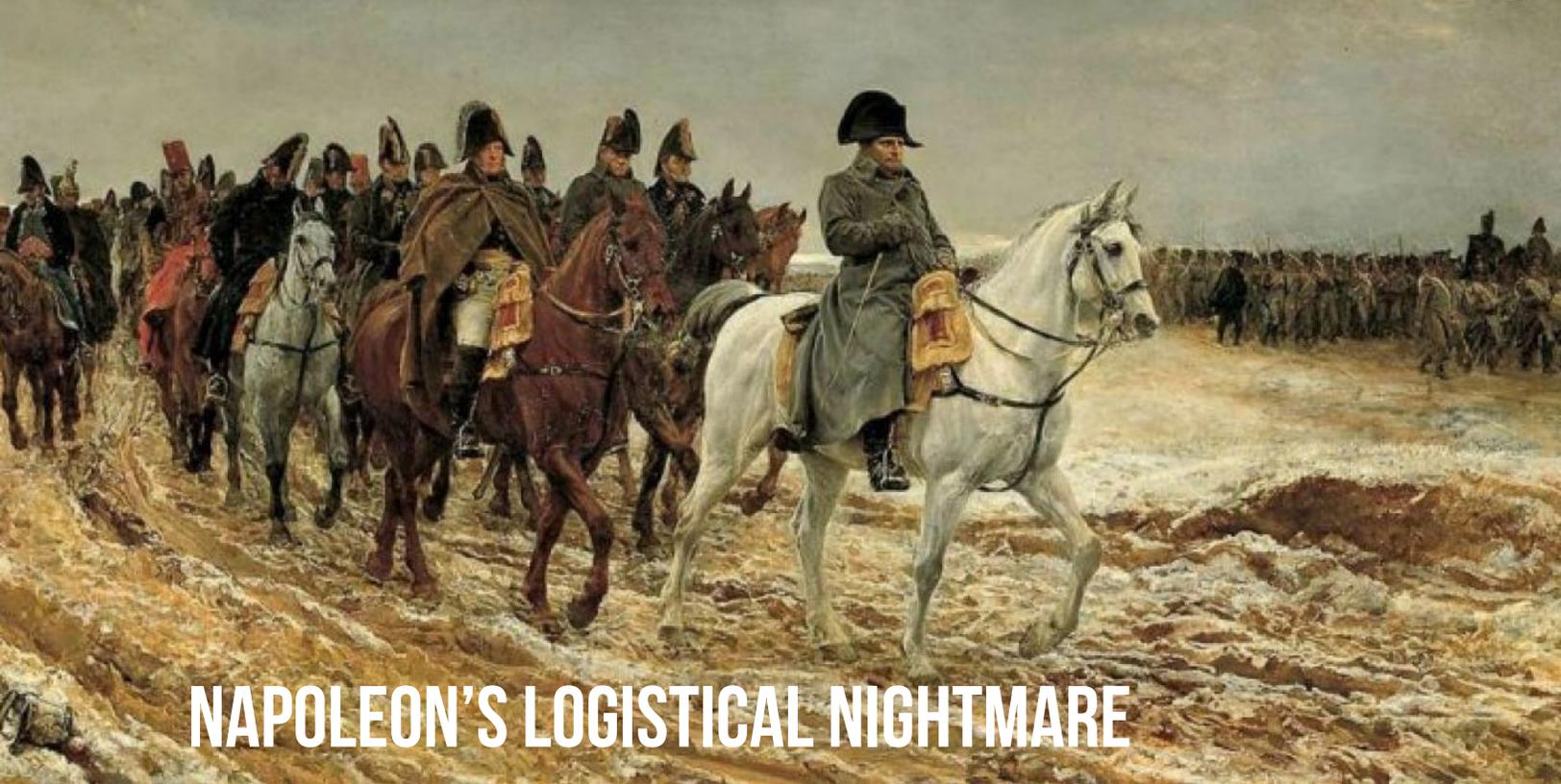
different views towards logistics; the other was developed by the Soviet Union, which many of her clients also adopted. The Soviet system did not worry about spare parts, everything was expendable.

If it breaks, the whole tank, jet, missile etc is just replaced rather than fixed. Lenin explained this as: "Quantity has a quality of its own." The Soviet military-industrial complex churned out military equipment in colossal numbers so when equipment broke down or was hit by the enemy it was allowed to fall by the wayside.

In Soviet military thinking the priority was mainly munitions and fuel. Several days of reserves were maintained, food and other nonessential items in many cases would never reach most troops. Soldiers were therefore encouraged to live off occupied land.

Western nations have leaned towards high quality in their equipment and combat troops. A constant stream of replacement spares and other essentials keep combat troops constantly in action. The Soviet system, though pragmatic, always suffered from disruption and was prone to collapse. The Western system was flexible as it was based on on-the-spot decision making on parts and supplies and was thus able to adapt and survive the fluid nature of the battlefield. The increasing use of computers has made logistical planning more manageable, but has made supply lines the target of opposition armies in order to cripple any onslaught.





NAPOLEON'S LOGISTICAL NIGHTMARE

Not planning for logistics i.e. how supplies would be moved and planning for reserves, has led to many an army being crippled. In 1812, with his armies having swept all before them, Napoleon was at the zenith of his power. Yet within six months less than one in 20 of his soldiers would ever see their homes again. Gambling on a rapid victory against the Russian Empire and a campaign that would not last longer than three weeks he advanced with just 24 days rations. The Russians quickly fled when they faced Napoleons 'Grande Armee' of 400,000 troops in Ukraine, but they destroyed crops and supplies as they withdrew. When Napoleon entered Moscow after 4 months, he only had a quarter of his force as most had died of starvation, malnourishment or disease. Napoleon had not planned for the most critical issues of war, namely logistics.

At the time, horses remained the chief means of moving men and supplies over difficult terrain until the Jeep was introduced by the US military in WWII. Winter horseshoes are equipped with little spikes that give a horse traction on snow and ice and prevent it from slipping. Napoleons lack of planning on the logistical side resulted in his horses with smaller summer spikes, going into a war in winter. Without them, a horse can neither tow a wagon uphill, nor use them as brakes on the way down. It was a disaster from which he never recovered. When Jeeps were introduced, they were durable, reliable and flexible. They could be used for almost anything - towing, cable-laying, transporting casualties and supplies, and with the right wheels they could even drive on railway tracks. By the Vietnam War, the Jeep had given way to the helicopter.

ASYMMETRIC WARFARE

In a conventional war, warfare is conducted by using military weapons and battlefield tactics between states in open confrontation. The forces on each side are well-defined, and fight using weapons that primarily target the opposing army, normally fought using conventional weapons. The general purpose of conventional warfare is to weaken or destroy the opponent's military force, resulting in eventual capitulation thereby negating its ability to engage in any war. In a conventional war the strength is superior firepower, resources and organisation. This is why the modern armoured division, carrier battle group and fighter or bomber wing represent the optimised organisation built around a platform designed to assault armies and societies. They remain the basic structure of modern warfare.

An Insurgency, sometimes called guerrilla warfare or irregular warfare, has been practiced for centuries across the world. One example of this was when Prophet Muhammed (saw) conducted asymmetrical military operations against the Quraysh, targeting their caravans and conducting hit-and-run attacks until he was able to amass the power necessary to conquer Mecca and expand the Islamic state to include all of the Arabian Peninsula.

The basic unit of guerrilla warfare is the individual and the squad. They are frequently unarmed - having hidden their weapons and when armed, they carry man-portable weapons such as rifles, rocket-propelled grenades or mortars. When unarmed, they cannot be easily distinguished from the surrounding population. They arm themselves at a time and place of their choosing - selecting to minimise the probability of detection and interception. In the 20th century, insurgent theory was codified by leaders such as Russia's Vladimir Lenin, China's Mao Zedong, Vietnam's General Vo Nguyen Giap and Latin America's Che Guevara. At its core however, the theory is based on the historic concepts of declining battle when the enemy has superior forces and attacking at a time and place where the insurgents can mass sufficient forces to strike where the enemy is weak.

When a conventional force faces-off with an irregular force, as US forces did in both Afghanistan and Iraq, there are a number of factors that constrain the larger conventional force, whilst a number of factors propel the smaller irregular force well beyond its capabilities.



Mobility

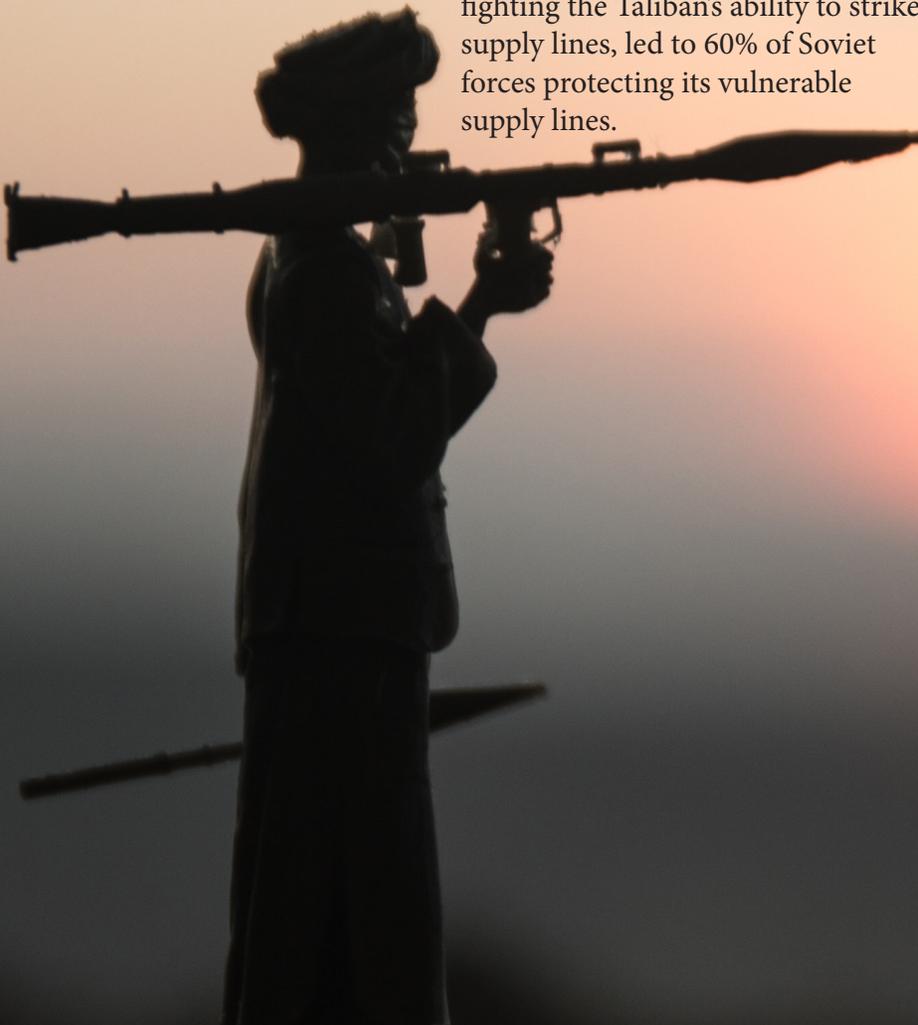
A conventional army lacks the mobility available to a much smaller irregular force. The sheer size of a conventional army, however small will never be smaller than an insurgent; this gives the insurgent the element of surprise, something not available to the conventional army. An armoured division in a conventional army would also have heavy weapons which further constrain its ability to be mobile. The insurgent on the other hand can blend into its host population and engage in guerrilla warfare as and when it chooses.

Supply lines

The advantage of conventional military is their ability to amass a large standing force, with a wide spectrum of weapons systems. When deployed, an air force, navy and ground force can overcome its enemy forcing it to capitulate. In any standing army each unit has a different purpose contributing to an overall objective. Infantry can be light or heavy or mechanised all of this requires secure supply lines. Supply lines are chains connected together and all it takes is one weak link, for the whole chain to fall apart. A technologically superior force has more vulnerable infrastructure which can be targeted with devastating results. This was something the Taliban successfully utilised against the Soviet invasion of Afghanistan. At the height of the fighting the Taliban's ability to strike supply lines, led to 60% of Soviet forces protecting its vulnerable supply lines.

Centre of gravity

Guerrilla war is extremely resistant to conventional military force because the massed systems that dominate mainstream operations cannot engage the guerrilla force. Even the mass annihilation of a population does not, in itself, guarantee the elimination of the guerrilla force. So long as a single survivor knows the location of the weapons caches, the guerrilla movement can readily revive itself. Because guerrilla warfare is organised in a decentralised manner this makes it difficult to cripple such a force as it has no critical nodes within its structure. A conventional force on the other hand is organised into units linked by supply lines, making each layer critical in the overall force. This is why the Soviet Union, and the US, conducted mass slaughter on whole towns in Afghanistan; in the hope of eliminating the decentralised insurgent force. Due to this, the counter-insurgency force has emerged as a direct result of this reality.



The advantage of the insurgent force over the invading army can be seen by taking the example of the Taliban in Afghanistan. The Taliban's objective like all insurgents was to survive. A domestic guerrilla group almost always has more staying power than an occupier, which is projecting force over a greater distance and has the added burden of a domestic population less directly committed to a war in a foreign, far-off land. The insurgent lives in the country. He is not going anywhere, as he has nowhere to go. By contrast, the foreigner has a place to which he can return. This is the core weakness of the occupier and the strength of the guerrilla. The former can leave and in all likelihood, his nation will survive. The guerrilla can't. And having alternatives undermines the foreigner's will to fight regardless of the importance of the war to him. The strategy of the guerrilla is to make the option to withdraw more attractive. In order to do this, his strategic goal is simply to survive and fight on whatever level he can. His patience is built into who he is and what he is fighting for. If the Taliban can only survive as a cohesive and coherent entity until the US leaves Afghanistan, they will have a far less militarily capable opponent in Kabul with whom to compete for dominance.



THE FUTURE OF THE PILOT

Controlling one's airspace is critical in order to maintain a nation's security. In the modern era fixed wing aircraft, rotary aircraft and missiles are used to secure a nation's airspace. The beginning of WWI brought a sudden demand for thousands of aircraft. This meant that factories had to accommodate large-scale manufacture and assembly of aircraft components. Small companies grew into major manufacturers capable of producing many different types of aircraft in large numbers. By WWII the aircraft industry had spread worldwide and changed dramatically during the five years of conflict. Piston aircraft engines became larger and more complex and were produced in large quantities, while the jet engine was also being developed and tested. The development of radar and other sophisticated electronics also took place, eventually forming the large avionics (aviation electronics) industries of today.

When it came to the military the pilot roaring by in a fighter jet, represented in movies such as Top Gun, was one of the most symbolic aspects of war. The fighter jet and manned flight in general carry a mystique that has made the pilot a glamorous figure.

The idea of replacing every one of the military's jets with an unmanned system was once an unattainable fantasy. But with the development of remote technology, it has moved firmly into the realm of reality, and the popularity of drone technology has prompted a debate over what kinds of vehicles should compose future fleets. Whilst the debate has focused on aircraft, unmanned technology has applications in ground and sea vehicles as well. Remote operation has the potential to further transform the way people make war.



Elon Musk, sitting in front of a group of US Air Force officers in February 2020 declared that the era of the fighter jet, *“had passed. Drone warfare is where the future will be. It's not that I want the future to be – it's just, this is what the future will be.”*⁷⁴ In 2015 the US Secretary of the Navy, Ray Fabus said the F-35 Joint Strike Fighter, could well be the last manned fighter aircraft his branch of the military will ever buy or fly. His comment prompted responses over the strengths and weaknesses of remote operation technology. One side argued that the design advantages of unmanned vehicles outweigh the challenges they introduce; the other insisted that only a human can properly use even the best designed systems. But the debate is over how quickly and to what extent armed forces should make the switch from manned to unmanned systems, not if they should.

Unmanned technology offers design advantages such as removing the constraints that come with carrying and protecting a human operator. Unmanned aircraft could also be faster, more powerful and longer-lasting. Existing technologies can make aircraft far more manoeuvrable at faster speeds, which improve their performance exponentially. But excessive g-forces can kill the pilot. Remove the pilot, and the design possibilities expand.

The altering of the shape and size of the aircraft vehicle itself could give a smaller radar cross section than a manned aircraft. In addition to the benefits of their design, unmanned vehicles can be operated for longer by pilots and crews in seats than by pilots and crews in cockpits. With remote technology, soldiers can engage an enemy without actually placing themselves in the line of fire.

Advocates for manned systems insist that a human element makes any given platform more effective. They argue that even the most technologically advanced weapons rely on the operator's situational awareness, instinct and ability to make a judgment based on one's senses and intellect to perform well. Remote piloting exposes military operations to a huge layer of risk as such networks rely on satellite and data transfer over distances and are vulnerable to infiltration by the enemy. Disruptions and failures in the remote connection have been a recurring problem for drone operators. There are far more unmanned vehicle crashes than manned ones.

One proposed way to circumvent the limitations of both systems would be to design vehicles that are autonomous. Not only would they be unmanned, but they would be programmed to operate largely without human involvement or decision-making. While the technology for autonomous operation is advancing, it is not nearly mature enough to fall within the scope of the current debate.

Bold predictions about increased drone usage have been around for decades and show militaries are slow to commit to new systems. The many arguments against unmanned systems will slow the debate even, forestalling the end of the pilot and manned aircraft. The pilot still has a role in warfare although unmanned aircrafts are growing and flying regularly.



DRONE WARS

America's war in Afghanistan and Pakistan has seen the widespread use of Unmanned Aerial Vehicles (UAVs), commonly known as drones. Whilst much debate continues on the moral aspect of their use, this military platform is now a critical component of America's global military footprint. UAV usage is rapidly increasing throughout the world and this trend is set to continue, but all drones are not created equal. There is a huge variation in physical structure, capabilities and the systems used on these platforms. UAVs are a subset of the broader category of unmanned vehicles that operate on land, on and below the ocean, and in space. UAVs are currently the most prominent and advanced in military utility, but other subsets such as unmanned underwater vehicles are also being developed.

UAV operations are all about data. Everything the UAV sensors see must be received by the controller, and every command the controller gives must get to the drone. Getting this data across space requires infrastructure. In its simplest form, this can be an advanced remote control, but this means you have a very limited operational range. In more advanced versions, portable ground stations can be set up with powerful transmitters and antennas that extend this reach. In the most advanced versions, complex data systems and space-based satellites can be networked and used to project data over vast distances. For all of this to take place these drones require logistical networks and access to airfields just like all aircraft. For all practical purposes any nation wanting to deploy drones will need forward bases and plenty of IT infrastructure to operate them. This is a big vulnerability as such facilities would need to be in close proximity to the battlefield making them susceptible to a strike.

Most UAVs are slow, easy to see and virtually defenceless. Lacking the agility of fighter jets, drones cannot operate well in hostile airspace. Gen. Mike Hoston, chief of the US air service's Air Combat Command, confirmed: *"the drones that have proved so useful at hunting al Qaeda are useless in nearly every other battlefield scenario. Predators and Reapers are useless in a contested environment today. I couldn't put [a Predator or Reaper] into the Strait of Hormuz without having to put airplanes there to protect it."*⁴⁵ Despite their widespread use in Afghanistan and Pakistan, US drones have not faced any challenge in the airspace above both countries as their leaders have been in complete cahoots with the US and as a result US drones faced no opposition. In contested airspace, drones as a weapon system are near useless. Gen. Mike Hoston

confirmed: *"MQ-1s and MQ-9s have limited capability against even basic air defences. We're not talking deep over mainland China; we're talking any contested airspace. Pick the smallest, weakest country with the most minimal air force — [it] can deal with a Predator."*⁴⁶ The development of stealth drones is an attempt to overcome such limitations.⁴⁷

In an air war, an advanced aerial threat environment increases the likelihood of within-visual-range air combat, often referred to as "dog-fighting." Dog-fighting presents the most dynamic aerial environment conceivable. Survival requires both proactive and instantly reactive three-dimensional aircraft manoeuvring. Success requires critically outthinking an adversary while making split-second decisions, executing demanding manoeuvres under crushing g-loads, and firing weapons at an enemy. At present, these are critical tasks that only pilots physically engaged in the battle can do. Distantly controlled unmanned aircraft lack these capabilities. If ever caught in a dog-fight, they transition from lethal airborne assets to defenceless targets.



The biggest problem currently with drones is the GPS navigation system. GPS signals are weak due to the distance they travel and can be easily out punched (overridden) by stronger local signals from television towers and devices such as laptops or mobile satellite services. In a report on GPS Spoofing the C.S. monitor highlighted: *“The GPS navigation is the weakest point, by putting noise (jamming) on the communications, you force the bird into autopilot. This is where the bird loses its brain.”*⁴⁸ A more pernicious attack involves feeding the GPS receiver fake signals so that it believes it is located somewhere in space and time that it is not. Former US Navy electronic warfare specialist Robert Densmore highlighted: *“Even modern combat-grade GPS [is] very susceptible to manipulation, it is certainly possible to recalibrate the GPS on a drone so that it flies on a different course. I wouldn’t say it’s easy, but the technology is there.”* This was the method Iran reportedly utilised to

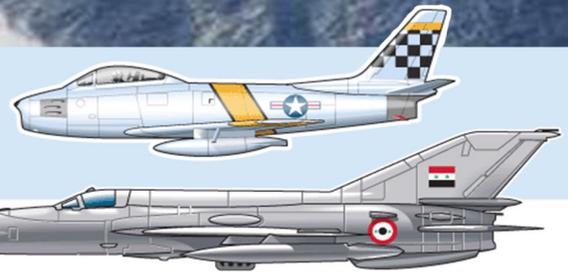
‘trick’ a US drone into landing in the country in 2011.⁴⁹ The US military continues in seeking alternatives to the GPS system of satellites. But fundamentally GPS signals travelling over long distances can be easily overwhelmed with a stronger local signal.

Whilst much of the debate regarding drones has centred on their moral use, their use in Pakistan, Afghanistan, Somalia and Yemen has only been possible due to the governments in these countries handing over their airspace to the US. As a platform, drones suffer from numerous inherent shortcomings which make it extremely unlikely they will replace manned flight. The US is planning to expand its use of drones to other theatres of war allowing for the orchestration of an entire battle group managed by a handful of people,⁵⁰ but all of this is predicated upon political support from the rulers of such countries.



Jet Fighter Generations

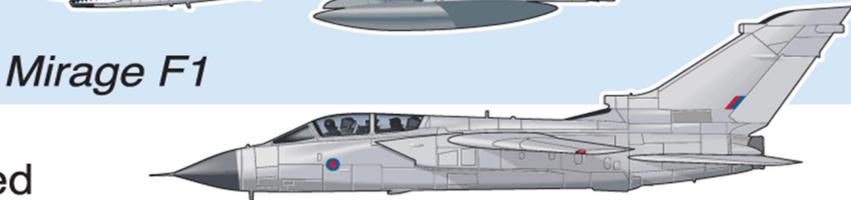
1st Generation (1940s-1950s): Powered by turbojet instead of earlier piston-engines.
Examples: Me 262, F-86 Sabre, MiG-15



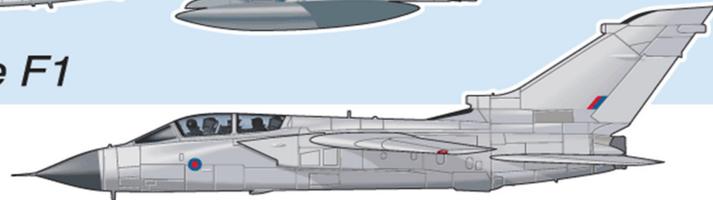
2nd Generation (1950s-1960s): Supersonic speed, onboard radar, first guided air-to-air missiles. *Examples: MiG-21, F-104 Starfighter*



3rd Generation (1960s-1970s): Multi-role aircraft, improved avionics, first precision munitions.
Examples: F-4 Phantom II, MiG-25, Mirage F1



4th Generation (1970s-1990s): Fly-by-wire controls, enhanced radar, weapons and manoeuvrability. First low-observable (stealth) aircraft.
Examples: F-16, MiG-29, Mirage 2000, Tornado, F-117 Nighthawk



4.5 Generation (1990s onwards): More advanced avionics, limited stealth features.
Examples: Typhoon, Rafale, Su-35, F/A-18 Super Hornet



5th Generation (2000+): Integrated avionics and sensors, all-aspect stealth, network-enabled.
Examples: F-22, F-35, Su-57, J-20



6th Generation (2030s): Possible directed-energy weapons, hypersonic speed, ability to switch between manned and unmanned versions

WEAPONS OF MASS DESTRUCTION IN PERSPECTIVE

The term weapons of mass destruction (WMD) usually refers to chemical, biological radiological or nuclear weapons (CBRN). A weapon of mass destruction is a weapon that can kill and bring substantial harm to a large number of people or cause great damage to structures. The most lethal is the nuclear weapon. Weaponising the atom remains one of the most challenging endeavours any nation can undertake. Ever since the US remote tested the world's first atomic bomb only a handful of nations have successfully developed a nuclear device.

Nuclear weapons are a type of weapon that countries spend large sums of money to develop but don't actually intend to use. Their effectiveness comes from their ability to deter aggression, as the potential for massive devastation forces countries to rethink moves that threaten an adversary's core national security interests. Nations are therefore unlikely to use nuclear weapons against one another.

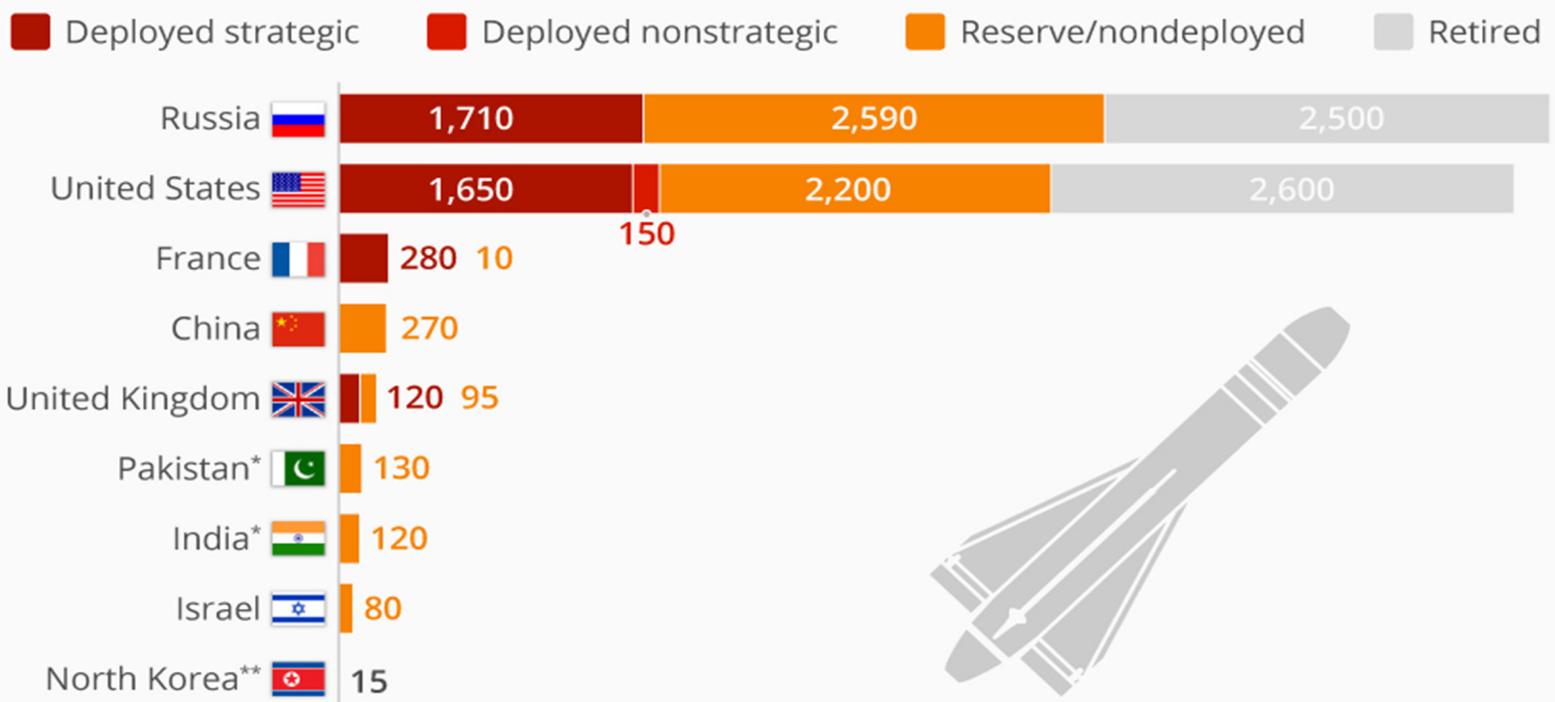
Nine countries today have nuclear weapons with a range of delivery systems. Their nuclear weapons systems can be deployed and non-deployed weapons. Deployed weapons are already fixed to a delivery system and ready to use. Warheads in non-deployed or reserve status still require this final step before they can be launched.

The most advanced delivery systems are what are described as the nuclear triad. These are land-based missiles, submarine-launched ballistic missiles (SLBMs), and weapons carried by aircraft. Land-based ballistic missiles—especially intercontinental ballistic missiles (ICBM)—provide long-range strike capability. SLBMs have retaliation capabilities in the event that a country's land-based systems are destroyed in a first strike. Warheads on aircraft are more flexible, since bombers can be recalled after a strike has been ordered, but they are slower to reach their target than missiles. Each nuclear country has a different mix of delivery capabilities, only the US and Russia are considered to definitely possess a full triad.

A large portion of global nuclear weapons are held by just the US and Russia. The US has around 4,480 warheads, and Russia has 4,500. These figures include both strategic warheads (which are meant to strike sites located far from any battlefield) and non-strategic, or tactical, warheads (which are intended to be used near a battlefield, and as a result, are usually less powerful). The size of these arsenals, however, pales in comparison to each country's peak inventory during the Cold War: The US had 31,255 in 1967, and the Soviet Union had 40,159 in 1986.

Size and Composition of Nuclear Arsenals Around the World

Amount of nuclear warheads in military arsenals worldwide



Throughout the Cold War, the doctrine of mutually assured destruction required a large force that would allow for a massive retaliation even if a first strike eliminated a large portion of a country's nuclear arsenal. Additionally, during most of the Cold War, delivery systems were not particularly accurate, which required that nuclear weapons have very large yields to reliably strike a target that might be located miles away from the point of detonation. As the accuracy of delivery systems improved, fewer nuclear warheads were required to maintain a credible deterrence threat, leading to a decline in both countries' arsenals.

Several countries had nuclear weapons programmes that were eventually abandoned. This was due to changes in political circumstances that reduced the need for nuclear weapons. In some cases, it was due to pressure from a major power that provided a guarantee under its own nuclear umbrella.

Belarus, Kazakhstan, and Ukraine all inherited nuclear weapons when the Soviet Union collapsed in 1991. Ukraine was for a short period the third-largest nuclear power in the world. All three countries returned the weapons to Russia by the mid-1990s to be dismantled.

South Africa independently developed her nuclear weapons and subsequently forfeited them. The pro-apartheid

government from the 1960s to the 1980s produced six nuclear weapons. In 1989, the programme was stopped as apartheid came to an end and the government handed power over to the African National Congress (ANC).

Argentina and Brazil also abandoned their nuclear programmes before developing a nuclear device. They both secretly pursued nuclear weapons in the 1960s. By the early 1990s, both countries gave up their weapons programmes and signed the Nuclear Non-Proliferation Treaty (NPT).

South Korea and Taiwan also had secret nuclear programmes in the 1970s that were discovered by international intelligence. Both programmes were subsequently disbanded—South Korea's in 1975 when it signed the NPT and Taiwan's in 1988 as a result of diplomatic pressure from the US.

In the Middle East, Iraq, Syria, and Libya all had active nuclear weapons programmes. Iraq's nuclear programme was forcibly dismantled after the Gulf War, and Libya voluntarily gave up her nuclear programme in 2003. Syria's nuclear ambitions never progressed far, but it is believed to have possessed enriched uranium and built a research reactor with the aid of North Korea. In 2007, the Zionist entity took out Syria's reactor with airstrikes.



Bulding the Bomb

A nuclear weapon is a reliable miniaturised warhead that can be delivered with a reliable delivery system. This can only be achieved when a series of developments are overcome. A Nuclear device is an apparatus that can initiate a nuclear chain reaction, due to sufficient fissile material. A nuclear weapon is a reliable miniaturised warhead that can be delivered with a reliable delivery system.

A nuclear device requires a nuclear chain reaction through fission or fusion. Both reactions release vast quantities of energy from relatively small amounts of matter. In fission weapons, a mass of fissile material - enriched uranium or plutonium is assembled into a supercritical mass – the amount of material needed to start a nuclear chain reaction. This is achieved by shooting one piece of sub-critical material into another or by compressing a sub-critical sphere of material using chemical explosives.

Enrichment through the fabrication of fissile material is probably the most complex aspect of building a nuclear device. It presents significant challenges for any nation in developing a nuclear programme. The concept requires separating a heavier isotope of uranium from a lighter isotope of uranium in order to enrich the stock to higher than 80% U235 - sufficient for use in weapons. Whilst separating something heavier from something lighter in a gaseous state takes place across the world every day, doing it on a sufficiently refined level to separate two isotopes differentiated by only a few subatomic particles is an extremely difficult and a complex process. Thereafter fabricating fissile material and developing either a gun-type device or implosion device is a process only 10 nations in the world have accomplished.

After all of this, a reliable miniaturised nuclear device (a warhead) needs to be combined with a similarly robust and reliable delivery system. Such integration is an immensely costly and complex process. A nuclear bomb would be useless if it could not be practically and reliably delivered with a high probability of success. For a nuclear bomb to be deployed as a ballistic missile warhead or as a cruise missile warhead a series of very significant technical hurdles must be overcome, these include nuclear physics, materials science, rocketry and missile guidance.

Building a Nuclear weapon requires a comprehensive commitment from any nation for her national resources to be deployed in such a manner. It is not just about one facility, it needs an industrial base. A nuclear programme requires long term facilities, which are very energy intensive, years of experimentation, fissile material and

high-grade industrial machinery.

A nuclear device is the higher end of the destruction ladder, although less destructive, but equally lethal are biological, chemical or radiological bombs. There is an important and stark distinction between a nuclear device and Chemical, biological and radiological weapon. The distinction lies in the measure of potential lethality.

The most significant challenge in developing chemical and biological weapons is the need to manufacture and transport quantities in sufficient to yield. Nerve gas which is a chemical weapon is difficult manufacture, store and deliver in any effective form. As military commanders learned on the battlefields of Europe during WWI, and during the Iran-Iraq war, chemical agents are volatile and quick to vaporise, and they tend to dissipate quickly. As a result, deadly concentrations can be difficult to amass in a real-world setting. Difficulties arise when one attempts to take a rudimentary substance and then convert it into a weaponised form - a form that is potent enough to be deadly and yet readily dispersed. Even if this weaponisation hurdle can be overcome, once developed, the weaponised agent must then be integrated with a weapons system that can effectively take large quantities of the agent and evenly distribute it in lethal doses to the intended targets.



Despite nuclear weapons being a weapons platform for war they have rarely been used as such and have been primarily used as a political tool. Since their creation during WWII, nations which possess nuclear weapons have lost wars and still not used their nuclear weapons. The US lost wars in Vietnam, Afghanistan and was bleeding to death in Iraq but never used her nuclear weapons which would have given it a swift victory. The Soviet Union lost the war in Afghanistan, but her nuclear weapons were not even an option. France lost the war in Algeria and didn't use her nuclear weapons and China invaded Vietnam in 1979 and got into a quagmire, but never used her nuclear weapons. In each of these cases, the nations in question preferred defeat to the use of nuclear weapons.

When nations go to war, they do so to gain the benefits of invasion. The US invasion of Iraq and Afghanistan was to use the nations for their strategic goals, creating a radioactive cloud would not achieve this and would in fact end much of the resources of the world. The US even when she reduced her forces in Afghanistan and when the Soviet Union withdrew in the 1980s never saw a nuclear attack as a means to achieve her goals, despite the fact they were losing the wars. Nuclear weapons would be most useful at the beginning of a war, as they would save lots of lives (of the invading army) and bring the war to a swift end. But the world powers always believe they will win wars due to the capabilities they possess and the fact that there would be a global outcry at the use of nuclear weapons before any shot has been fired. In both these cases if nuclear weapons were used, they would not alter the fact that both the Soviet Union and US were exhausted, lost lots of troops and treasure.

Despite WMDs being a special class of weapons, the reality is all weapons of war are nothing without a strategy and there is no strategy without politics. This is why war is politics through other means and it explains why the US used nuclear weapons against Japan when Japan was already militarily finished in 1945. Fat Man and Little Boy were dropped for political purposes, rather than for a war objective; it was to show the world the US was the new global superpower, who had just used the world's most advanced weapon in history.



DEBUNKING THE MYTHS OF NUCLEAR TERRORISM

Since the events of 9/11 there has been endless assertions regarding nuclear warfare. Successive US administrations have lambasted Pakistan for spreading nuclear secrets. Similarly, Iran has been accused of constructing an advanced missile programme. With North Korea joining the nuclear club, it is considered unstable and irresponsible and may possibly be the target of terrorist groups looking to steal a nuclear bomb.

The Hollywood movie scenario of a terrorist group stealing a nuclear bomb from a secure facility and then somehow weaponising it is virtually impossible. Aside from setting off numerous alarms and protocols it would leave little opportunity to smuggle a bomb very far. If one was stolen, modern nuclear weapons are designed with numerous highly classified safety features, rendering them useless. Whilst nuclear weapons are not all created the same, they range from permissive action links without which the device cannot be armed to configuration that will render the fissile core(s) useless if incorrectly accessed.

The reality of actually attempting to steal a nuclear weapon would require a huge dedication of resources and an immense intelligence effort beyond the reach of almost any terrorist organisation. Terrorist organisations are not governments that have the ability to collect taxes and fund a military-industrial programme. The odds of failure are high, no matter how careful and meticulous the planning. Whilst nuclear weapons facilities around the world are not as hardened as each other, but taken as a whole, they are some of the hardest targets on the planet, and the personnel better vetted than almost any other institution.

Contrary to their popular portrayal in movies and the media, nuclear bombs are actually difficult to manufacture and effectively deploy. Constructing a nuclear weapon is not a simple exercise of money and brains it is a product of decades of testing, design and a massive investment. This is why only a handful of nations have joined the nuclear club since the fall of the Berlin wall. In the case of al-Qaeda even after immense security, sanctuary and financial backing they have been unable to produce a crude nuclear device in any meaningful way - they are considered by most security analysts to have only got as far as attempting to procure nuclear materials that turned out to be fake, sold to them by con men. Even chemical and biological weapon pursuits were not seriously or successfully pursued, given the complexity and cost. Operating and maintaining such weapons are not simple pursuits. It is important to keep in mind that these are complex devices that require a great deal of regular, careful maintenance. They do not have a permanent shelf life.

A terrorist group acquiring a nuclear device is virtually impossible and this is fundamentally due to the nature of terrorist organisations that lack resources, manpower, technical expertise and the ability to operate in open environments. It is not a matter of kidnapping some nuclear scientists; a nuclear programme is much more than that.

Only a handful of nations have been able to develop nuclear weapons. Developing biological, nuclear or a radiological weapons is a big challenge facing significant hurdles for any nation; this would include finance, resources and industrial development. The nature of non-state actors only compounds this. Non-state actors have found it difficult to develop bio weapons so building nuclear weapons is even more difficult.



Rogue Elements

US policy makers have for long argued that democracies make rational decisions, whilst dictators are prone to being irrational and unstable – nuclear weapons in the hands of such leaders would be apocalyptic. US policy makers usually cite North Korean leader Kim Jong-un and the Iranian clerics as possible candidates for starting World War Three.

Any leader can make mistakes and miscalculations; however, no one can run a country alone. Leaders require loyal and competent administrators. A certifiable and apocalyptic-minded leader is very unlikely to rise so far — and is even less likely to command the respect and loyalty of those necessary to actually run the nation for any length of time.

Kim Jong-un of North Korea has consolidated control over a country that was run by his father and grandfather for nearly 50 years. By balancing various groups and interests, he has maintained internal control and loyalty. He has overseen the allocation of resources necessary to build both crude intercontinental ballistic missiles (ICBM) and crude nuclear devices while faced with international sanctions. This is the track record of a competent leader, not a crazy one.

If he was suicidal, he has the artillery and short-range ballistic missiles at hand to destroy Seoul and invite a new Korean War - a choice that would be far quicker, cheaper and even more complete than the prototype nuclear devices that North Korea has so far demonstrated. He has however shown, consistently that his foremost goal has been the survival of his regime.

The Iranian cleric's fiery rhetoric calling for the destruction of the Zionist entity and defying the US is central to their strategy of regime survival. This rhetoric is intended for domestic consumption, but it is also a strategy, similar to North Korea's, to cultivate perceptions and influence behaviours by making Iran appear unpredictable.

Crazy and suicidal leaders have a difficult time becoming leaders of a country even capable of considering trying to develop a nuclear weapon, much less being able to see the process through to the end over the course of a decade. Becoming a leader of such a country entails taking some risks, but they are generally calculated as they want to enjoy the fruits of that labour. The consequences for miscalculating with nuclear weapons are annihilation, not only for themselves, their family and the power base that they have spent time building, but for the entire society.



Non-State Actors

Some have advocated that rogue leaders could possibly hand over a nuclear device to a terrorist group. Iran's support for Hezbollah and Hamas has for long alarmed the West. Pakistan has also been under the microscope as many in the West consider rogue elements within Pakistan's ISI and the army. Elements within such nations could place a nuclear device into the hands of terrorists in order to fulfil their national aims.

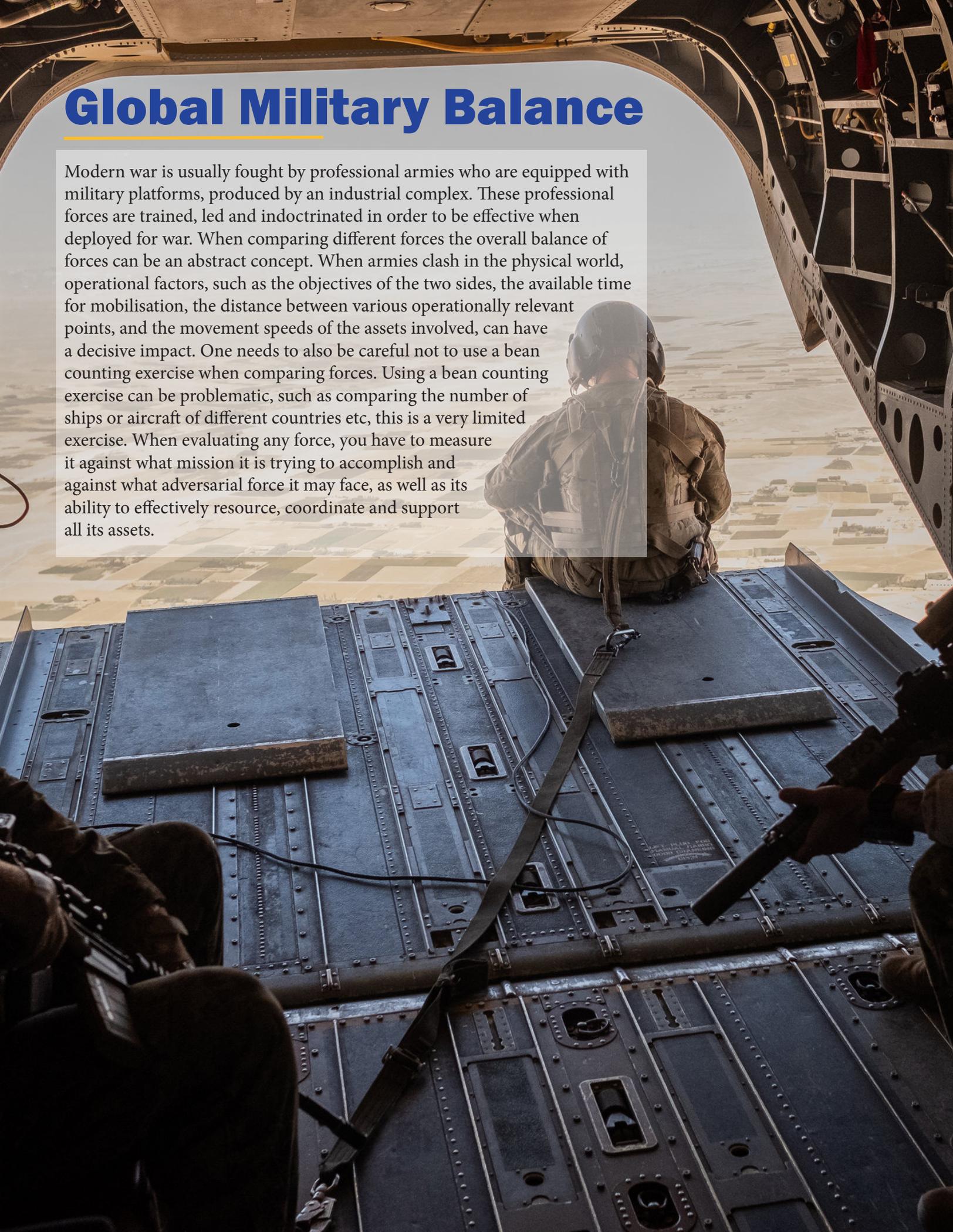
A nuclear device is the product of an immense, expensive national effort. Each individual weapon especially early on, represents an enormous investment of national resources. By handing one over to an outside group, the country not only has no assurance of it being employed in the way they want, but opens itself to the prospect of that immense investment being wasted or misused. Because a meaningful nuclear deterrent rests on not one weapon, but many, the incentive will be for the country

to consolidate its stockpile and deploy it to multiple locations that it has strong control over in order to work towards establishing that deterrent, rather than giving it away.

Since the events of 9/11 there have been much propaganda about the prospects of nuclear terrorism. This misinformation stems from misconceptions and ignorance, while disinformation also comes from scaremongers hyping the threat for financial or political reasons. A nuclear bomb requires the construction of a nuclear device, one of the most complex programmes a nation can undertake. A terrorist organisation could possibly gain access to one part of this process, but it would be impossible – due to the nature of terrorist organisations to steal the whole process. Even receiving a nuclear device from a state requires operational capability which would be beyond any terrorist organisation.



Global Military Balance



Modern war is usually fought by professional armies who are equipped with military platforms, produced by an industrial complex. These professional forces are trained, led and indoctrinated in order to be effective when deployed for war. When comparing different forces the overall balance of forces can be an abstract concept. When armies clash in the physical world, operational factors, such as the objectives of the two sides, the available time for mobilisation, the distance between various operationally relevant points, and the movement speeds of the assets involved, can have a decisive impact. One needs to also be careful not to use a bean counting exercise when comparing forces. Using a bean counting exercise can be problematic, such as comparing the number of ships or aircraft of different countries etc, this is a very limited exercise. When evaluating any force, you have to measure it against what mission it is trying to accomplish and against what adversarial force it may face, as well as its ability to effectively resource, coordinate and support all its assets.

Full Spectrum Dominance



The USA is the world's superpower and not surprisingly it has the most advanced military industry in the world. It is able to field a large technologically advanced military across the globe, aided by the world's largest fleet of aircraft carriers; each containing up to 90 of the world's most advanced fighter jets. Her ships, jets and ground forces personnel, which includes the world's largest estate of forward military bases are connected by the world's most advanced command and control system consisting of satellites, optical fibre and cyber infrastructure.

America's doctrine throughout her history has been shaped by securing her homeland, colonial expansion and threats posed by other powers. America's initial focus was on extending her control of the North American continent, after independence, the US was postured for continental defence.

As the US grew more powerful, it adopted a more forceful foreign policy that resulted in the creation of an overseas empire. It transitioned from a station posture focussed on defending territory to oceanic and expansive posture. By the turn of the 20th century, the US had obtained a small empire in the Caribbean and the Pacific, for the first time significantly investing the nation in areas beyond the continent.

The interwar period saw a massive expansion of US ordinance in both the Pacific and the Atlantic and propelled the nation to the world's superpower replacing Britain. The attack on Pearl Harbour dispelled the past assumption that the US would be safe if it remained aloof from world affairs. US military planners concluded that the US must not allow any country to dominate the Eurasian continent and that the nation's armed forces must be kept

in a state of readiness, capable of interdicting threats far beyond America's borders. Consequently, military officials determined that the US needed to develop a network of overseas air bases to serve as the nation's 'strategic frontier.'

The US then spent decades in ideological struggle with the Soviet Union. This consolidated defence in depth posture was characterised by hundreds of thousands of US troops stationed primarily on bases in Western Europe and Asia, especially in Germany, the UK, Italy, Turkey, South Korea, Japan, and the Philippines. After the end of the Cold War and the disappearance of the Soviet threat, the US significantly reshaped her defence posture by closing many of her bases abroad and significantly reduced the number of forward-stationed US troops. Nevertheless, both the administrations of George H W Bush and Bill Clinton concluded that the US needed to maintain a significant forward presence to deter aggression and preserve global prowess.

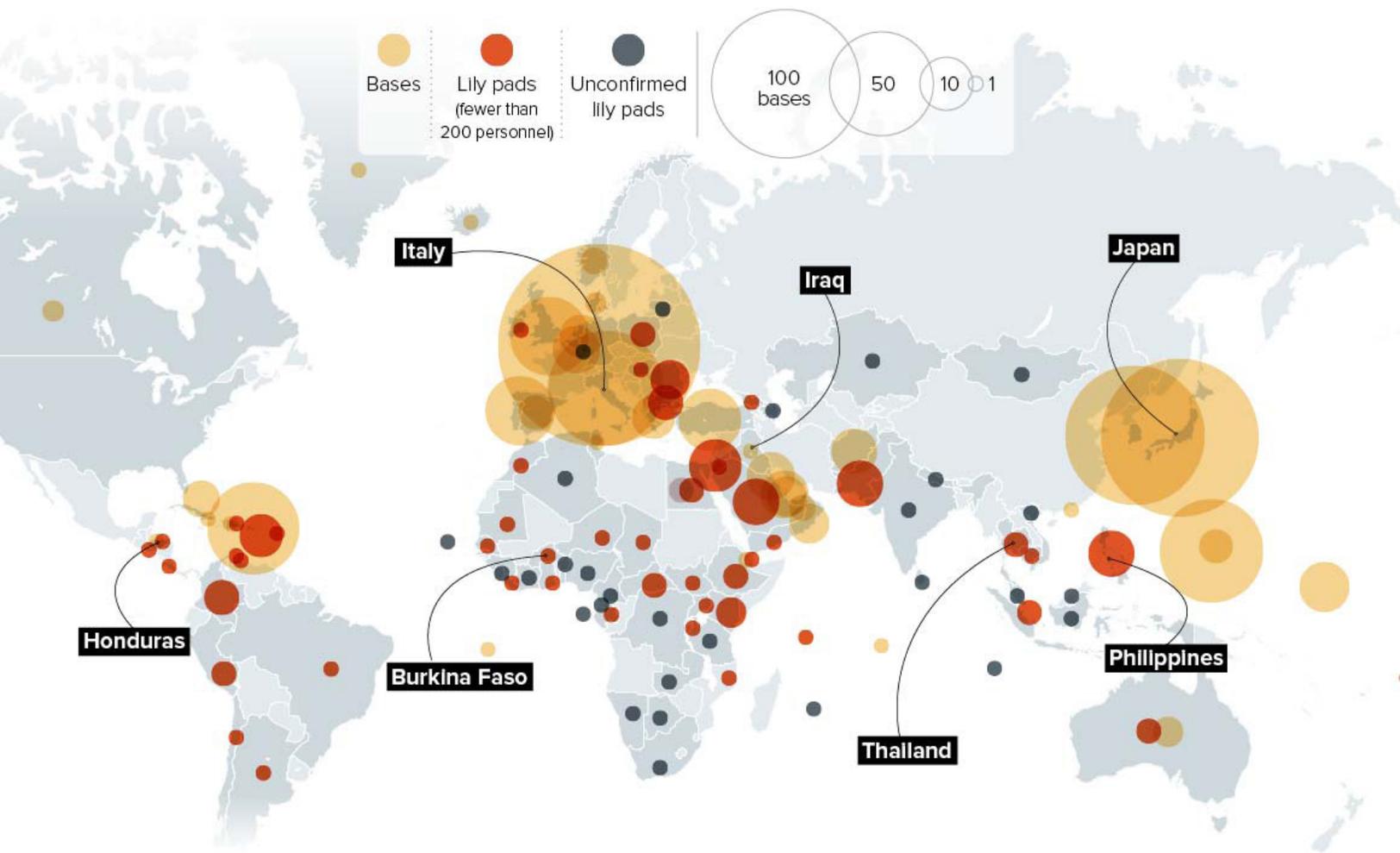
The events of 9/11 led to a massive expansion of US military assets and offensive operations took place leading to permanent US personnel to be stationed in countries at the centre of US global plans. The core parts of the US military doctrine are based around:

- The institutionalisation of irregular warfare capabilities
- The preservation of air supremacy
- Maintain dominance at Sea
- The expansion of Ballistic Missile defence (BMD)
- Dominate space
- Expand US information infrastructures in cyber space

US military posture is to maintain the global architecture it has developed since WWII. The US plans to achieve this by ensuring it dominates key battlegrounds and ensuring no power, group, state or groups of states ever achieve continental dominance to challenge US dominance in any part of the world. All of this means the US needs to have more military capability than every other nation in the world and it must constantly prepare for the worst case scenario (which gets worse by the day) so US dominance is not degraded.

The US military doctrine is based upon the US projecting power globally to maintain her global presence. As the global superpower it needs to have enough military presence in every region to ensure no power can develop into a continental power and potentially challenge US global dominance. The US has to project force over great distances and as a result it resources this with over 800 military bases around the world and the world's largest aircraft carrier group fleet. In fact, the US has long emphasised aircraft carriers, large surface combatants and a sizable fleet replenishment force that can project influence and force around the globe. This global presence also includes 825 air-fleet transporters and 508 refuelling tankers, more than the whole world combined. All of this is knitted together with a space-based communication system. The US maintains a high readiness rate in order to project power into any region of the world. Being a global force means the US will be able to deploy a limited number of ships and planes into a region at any given time, as a result the US defence industry builds the most superior military platforms in the world. The US military is doctrinally geared towards offensive operations and maintaining troops abroad for this, as it has two oceans separating it from much of the world, her army now focuses little on domestic defence.

US Global Military Deployments



AMERICA'S ACHILLES HEEL

Having to maintain an empire has created a number of challenges for the US. The US military is pulled in several directions by a range of world-wide demands, whilst other nations have the ability to just focus more narrowly. Even today the US military continues to operate in both Afghanistan and Iraq, periodically engages in other contingencies (e.g., Libya in 2011 and Syria from 2014), and maintains a substantial forward presence in Europe and Asia. The US-led wars in Iraq and Afghanistan not only have consumed enormous resources—with the direct combined costs totalling over \$6 trillion, but have also led the US military to reorganise and re-equip many of her forces that maximise counterinsurgency rather than conventional capabilities.

The US must maintain an extensive sea and air logistical capacity, along with largely space-based communication systems, to maintain her global position. Other nations can utilise local logistical facilities and land-based communication capabilities. These assets are inherently more robust, more secure, and less expensive than the ship, air or space-based platforms upon which US forces must depend. As other nations prepare for conflicts closer to their borders the mainland provides large and relatively secure staging areas for operations.

Global ambitions require an army with global capabilities which require extensive supply lines to support US army personnel with munitions, food and numerous supplies. This leaves such an army with huge vulnerabilities as her supply lines, especially the ones that run long distances can be disrupted. US supply lines into Afghanistan were constantly disputed by insurgent attacks in Pakistan. The longer the supply line, the more vulnerable they are.

As the last decade has shown asymmetric warfare has crippled, on many a occasion, America's global conventional capability. Many a groups and nation have capitalised on their geographic asymmetry and developed inexpensive, high-leverage capabilities that crippled US forces and kept them at arm's length. China's anti-access/area-denial (A2/AD) capabilities are such an example.

The US military has substantial worldwide responsibilities, including NATO-related responsibilities in Europe and a security role in the Middle East. Consequently, only a portion of the US military might be available for a crisis or conflict scenario involving, say, China.

The US has also developed a dangerous reliance on foreign nations for the raw materials, parts, and finished products needed to maintain her empire. In addition, the US is not mining enough of the critical metals and other raw materials needed to produce important weapons systems and military supplies. America's defence industry has a large dependency on China, with many aspects of America's defence industrial base reliant upon the rising power. Speciality metals are used in countless ways, including high-strength alloys, semiconductors, consumer electronics, batteries, and armour plate, to name a few. The US currently imports over \$5 billion worth of minerals annually, and is almost completely dependent on foreign sources for 19 key specialty metals.⁵¹ Similarly high-tech magnets, which are made from rare earth elements (REEs) and used in advanced weapons systems and military vehicles, they are uniquely able to maintain their magnetic properties in extreme heat and perform other vital functions. Although rare earth magnet (REM) technology was developed in the US, 60% of SmCo (samarium-cobalt) magnets and 75% of NdFeB (neodymium) magnets are currently fabricated in China. 70% of machine tools used in US manufacturing are imported, mostly from Germany and Japan.⁵²

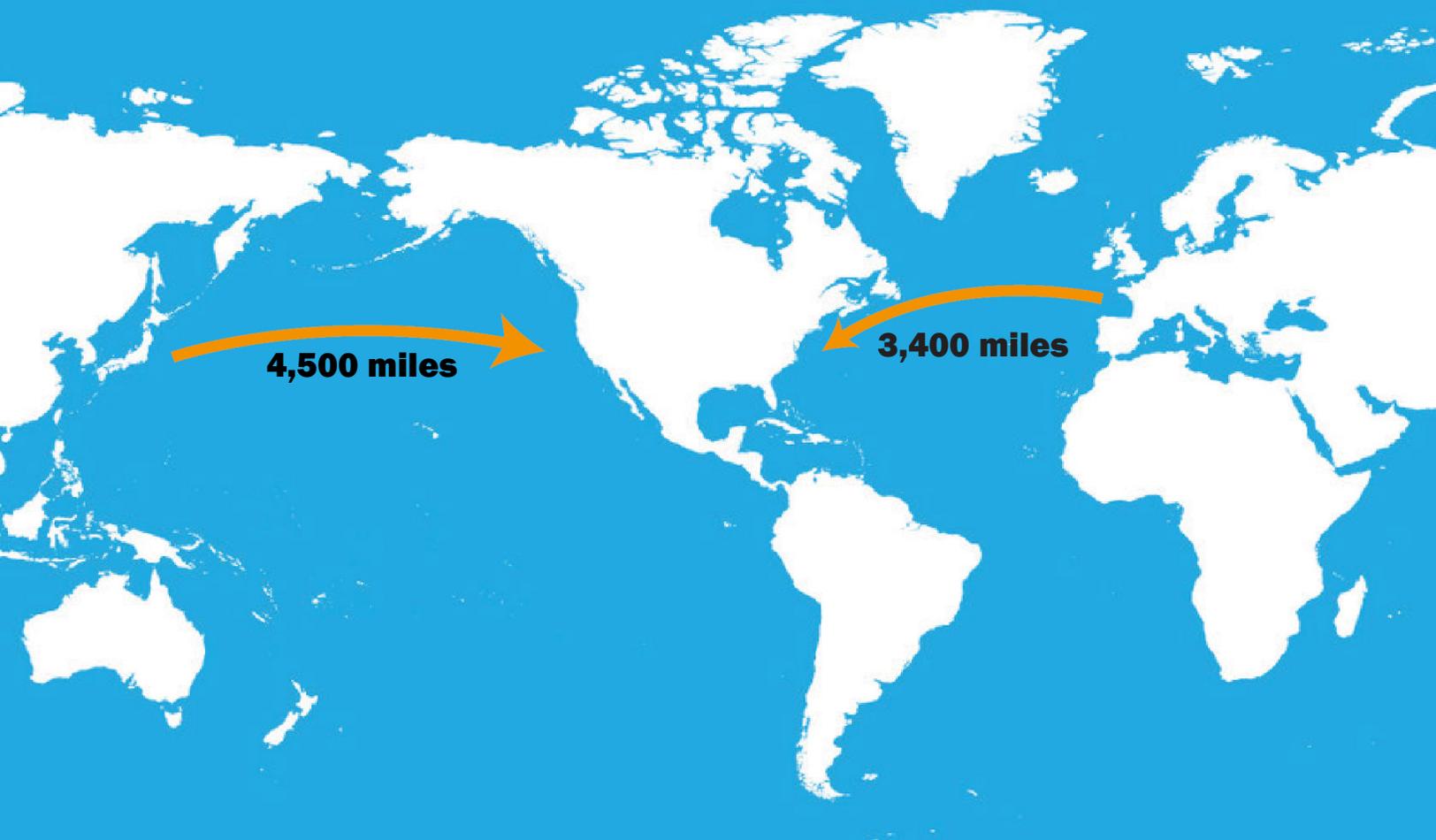


WHAT WOULD AN INVASION OF AMERICA LOOK LIKE?

America's military capability is unique from the perspective that today's military might of the world is completely out of balance. The world's military might combined still does not equate to America's military capability. If China, Russia, Iran, the UK, France, Germany, India, North Korea and every other country came together to invade the US there are numerous obstacles that would need to be overcome.

Firstly, the rest of the world would need to disable America's nuclear capacity. America's nuclear arsenal is based on a triad of land, air, and sea delivery systems designed to provide a counter strike capability. The submarine-launched ballistic missiles in particular are widely accepted as the most survivable element of the US nuclear deterrent as a portion of it is always at sea. The land-based missiles too are difficult to eliminate, as they are in hardened silos in the middle of the country. Any adversary facing the US would need to either be willing to absorb a nuclear attack or develop a ballistic-missile defence system currently beyond the scope of anything technologically feasible. Thus, it is virtually impossible to eliminate America's nuclear arsenal.

Secondly, if somehow the rest of the world could disable America's nuclear arsenal it would need to get her forces across the Pacific and Atlantic to the US continent. The challenge here is the US is the sole country in the world that has the capability to project force across the globe on a large scale. The combined military air-and sealift capability of the rest of the world would be insufficient to get a foothold on the continental United States. The amphibious assault capability of the world's militaries, excluding the US, is just too small. If they managed to go undetected, and acquire some beachheads on the US coast (a virtually impossible feat in light of modern surveillance capability) the rest of the world will still be unable to build up a force of any size before being pushed back into the sea. Any adversary would have to seize and use civilian aircraft and ships not designed for non-permissive environments. These ships would require secure bases in Canada and Mexico, since they lack the capability to deliver forces onto unimproved shores. Thus, any attempted invasion of the US would first look like a caravan of vulnerable civilian ships and aircraft. If these forces managed to avoid US attacks and build up, they could then launch an attack over the mainland.



Thirdly, a land invasion would have to come via a land border, with the terrain of the southern border (Mexico) being most conducive to military operations. This is also where the largest US Army armour base happens to be in Texas, which would hinder such an attack. Going through the northern Canadian border will require this land force to go west, to avoid the Great Lakes and St Lawrence Seaway - and concentrate forces and target population centres and other important strategic points. The issue then is, are the combined forces of the world enough to defeat the US? The challenge here is whilst the rest of the world would outnumber America's forces it still has to project this to America's shores, and this will require logistical resources that the rest of the world just doesn't have.

Fourthly, the primary problem here is geography. Just as the vast Russian steppe swallows armies, so would the oceans that surround the US. No matter the manpower or armament, it must be delivered across the Pacific and Atlantic in order to be brought to bear. This is where the US naval and air power would destroy most adversaries, far before they reached the US shore. There are not enough aircraft carriers and amphibious warfare ships in the combined navies of the world to force an entry past the

US Navy. There are not enough attack fighters to gain air superiority against the US Air Force.

Fifthly, the solution for the invading world armies would be to negate the importance of geography and technology. This means not relying on armies and navies and air forces but instead targeting the US in space and cyber domains. By defeating US satellites and attacking US networks, one bypasses geography and eliminates technology, both that of the military and within the industrial base that is at the core of America's military might. Putting aside the fact that the US leads in these areas one still does not conquer US soil. So, we arrive at the same conclusion: as the world military balance stands today, even in the unlikely case that the entire world aligns against the US, America can be defeated but it's very unlikely it can be conquered.

America's biggest challenge is actually internal. This is why America has treated foreign ideas so seriously, as these have the possibility of causing a fracture within the US populace. This is why Communism was not allowed by the US to even settle on the South American continent. This explains Abraham Lincoln's statement that: *"America will never be destroyed from the outside. If we falter and lose our freedoms, it will be because we destroyed ourselves."*



CHINA'S MILITARY: WORK IN PROGRESS

China's military attracts a lot of media attention whether it's anti-aircraft carrier ballistic missiles, its aircraft carriers or its growing cyber capabilities. China's military ascent has garnered significant global coverage because the US was bogged down in two long wars in Iraq and Afghanistan. Numerous works have been completed on the US vs. China scenario and when China may eclipse the US.

China's military was for long geared towards a foreign invasion and for internal security. But this has changed in the 21st century. Her four decades long development has to be protected from both internal threats and those external. Her doctrine termed 'active defence,' is based upon preemptively countering threats to the Chinese mainland as well as avoiding becoming entangled in major conflicts, particularly those far away from China. China's doctrine is based on a regional view, not global, as this is where it expects threats to emerge. China sees the US as a potential adversary within her region due to her presence there. To resource this China realised it would need to develop her navy and air force as a result it has reduced and replaced her old naval and air platforms with more modern ones. China sees her platforms not travelling far from her mainland. As a result, China has a small logistical base such as tankers and air transporters as it sees all future threats within her region. China's doctrine is defensive, to protect what it has, it is not for offensive purposes. China's military doctrine is the opposite of the US.

For China to project power beyond even her first island chain, which is between 500 miles – 1,000 miles, China needs air and maritime assets to do this. Submarines are vital for China for this as they offer China the most realistic and effective way to project military power far from her shores. While Beijing is in the process of building up a very capable surface fleet, it is not yet powerful enough to reliably break through the first island chain let alone dominate distant waters.

The Chinese navy has added a sizable number of diesel-electric submarines to her fleet — including some of relatively advanced design — but the number of available nuclear-powered attack submarines remains inadequate for China's needs. In contrast to her 50 diesel attack submarines, China only operates an estimated six nuclear attack submarines. China's existing nuclear-powered submarines, including her latest Type 093 boats, still trail far behind both US and Russian designs in terms of quality, as they are noisier, possess less advanced sensors and deploy propulsion technology that is not as capable.

While diesel-electric submarines are well-suited for warfare within the first island chain, only nuclear submarines combine the stealth and the range necessary to engage in modern, long-distance operations. Nuclear submarines allow a navy to be at sea for longer periods due to nuclear propulsion. Germany in both world wars and the Soviet Union built up powerful submarine fleets precisely because their surface navies could not contend with the respective fleets of the West.

China's Island Chains

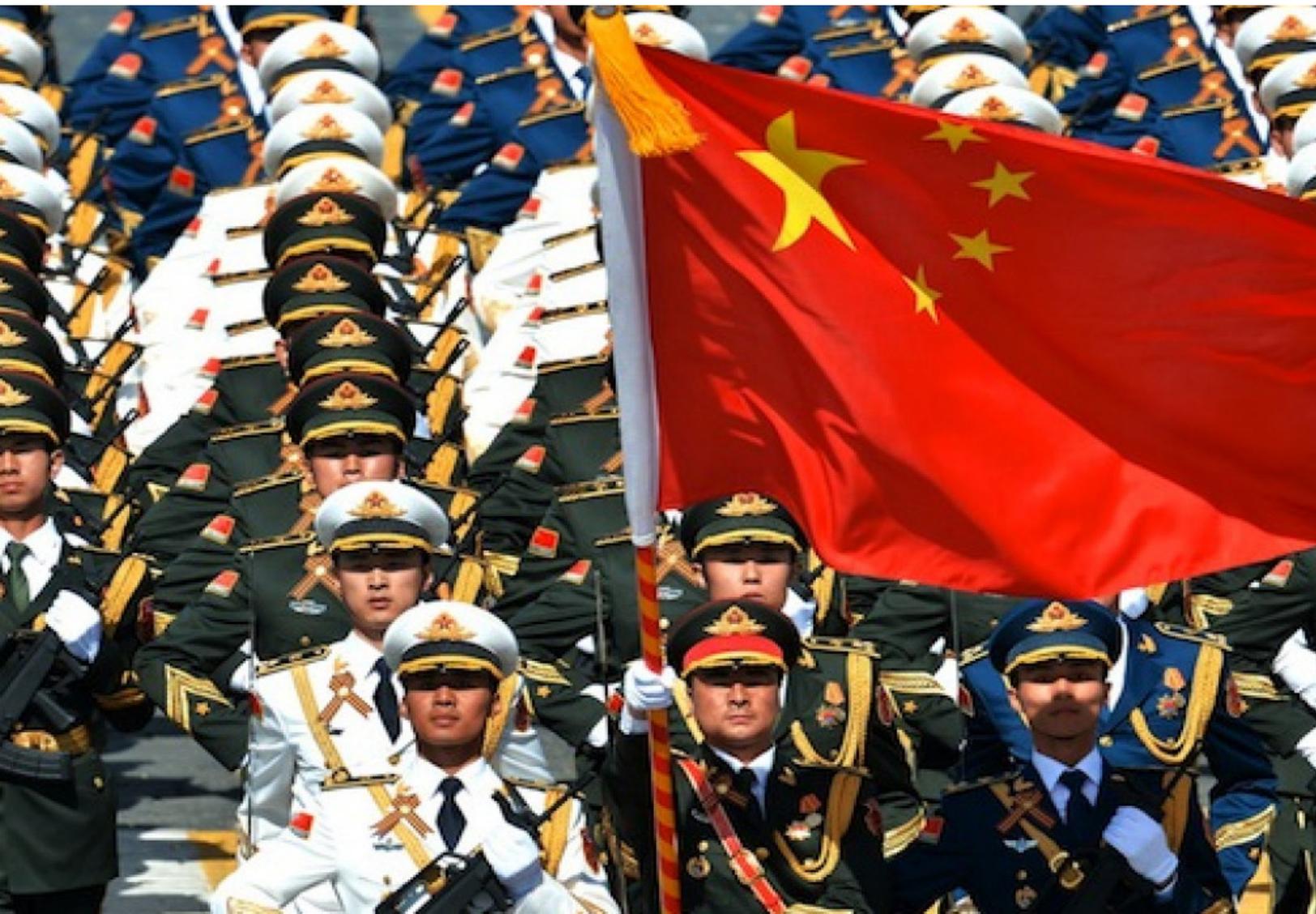


As China does not have a military that will fight far from home any conflict between the US and China would likely be in China's region. In a conflict close to the Chinese mainland, China's military would enjoy geographic and positional advantages, while the US would be required to successfully deploy her forces into the region. The geography of conflict is critical, and even short distances, have a major impact on relative capabilities. Chinese power projection capabilities are improving, but the PLA's ability to control military events diminishes rapidly beyond the unrefuelled range of jet fighters and diesel submarines.

On the flip side the US will need time to build up a force of enough strength and concentrate them in the region, making military bases and their protection essential for the US. Although China has rapidly developed her capabilities and in some areas closed the gap with the US, China has not caught up to the US military in terms of aggregate capabilities—and is not close to doing so—but it does not need to catch up to the US to dominate her immediate periphery. The advantages conferred by proximity severely complicate US military

tasks. Fundamentally China is increasingly capable of challenging the ability of US forces to accomplish mission-critical tasks in scenarios close to the Chinese mainland. Beyond her mainland, China's capabilities are not just extremely limited, but virtually non-existent.

For the moment China's military is heavily focused on defending her huge territory. This can be seen from the fact that 15 out of China's 18 ground force group armies are geared towards the defence of the homeland, only three group armies are geared towards offensive operations and it is these forces that take part in China's claim to the South China's seas, islands, reefs, shoals and banks. China has made significant progress in modernising her armed forces and this has worried US policy makers who see China challenging her place in her region. The Chinese military started her modernisation drive from a very low position in the 1990s with an outdated navy and air force. Despite developments the balance of military power between the US and China is still predominantly in favour of the US. But on the current trajectory mainland China is secure and China is on the road to developing a military that can protect her global supply lines.



CAN THE RUSSIAN BEAR ROAR AGAIN?

The US and the Soviet Union emerged the world's premier powers from WWII. They competed with each other for decades over the post of the world's superpower. Both competed in the arms race in order to produce the most powerful missiles and the Space race to place the first man on the moon. This competition eventually consumed the Soviet Union and in 1991 after various revolutions the Soviet Union disintegrated.

The disintegration of the Soviet Union resulted in the newly independent states dividing up the military's assets. The Russian Federation inherited the largest and most productive share of the former Soviet defence industry. Most Russian defence enterprises steadily lost their best workers to Western companies. Russia inherited the Soviet Union's large nuclear arsenal and also her huge conventional arsenal. However up to 90% of this equipment that Russia inherited was not maintained and much of it can no longer be used.⁵³ The decade after the collapse of the Soviet Union led to economic and financial chaos leading to the deterioration of arms and equipment due to inadequate servicing.

The military doctrines that followed the fall of the Soviet Union was an attempt to figure out how to sustain large military and military industrial complex during a time when Russia was feeling the looming threat of NATO and facing significant domestic separatist threats. The military and its industrial complex in the 1990s were chaotic, top-

heavy and lacked any political will from the Kremlin to fix its problems. The Kremlin's focus on the Russian military and its doctrine started to take serious shape in 2000 under Vladimir Putin. His main focus was to reorganise the Russian military, purge the glut and shift to a tighter and smaller military. The 2000 Russian doctrine was meant to be a period of transition for the military and industrial complex. It set up the Russian military to be defensive in character during this period. By 2006, Russia had started to come up with a coherent plan for her future - one based on internal consolidation and a future push out into her traditional sphere of influence. This new mind-set of a stronger Russia was reflected in her military doctrine formalised in 2009.

Russia views herself as a land-based power, exerting influence in a sphere expanding outward from its Eurasian heartland into the Baltic, Eastern Europe, the Caucasus, Central Asia and the Pacific Rim. Russia's geography has meant that historically whoever rules from Moscow would need to expand in order to protect the heartland. This is why historically Russia was always been a land power looking to expand into her surrounding territory.

Russia's military doctrine is based upon defending her large territory and projecting power into the former Soviet Republics. Russia's military is not looking to be deployed more than 300 km from her borders as this is well beyond her goals and capabilities. Today's Russia is not the Soviet Union looking to propagate communism.

Whilst the US Navy is massively superior to the Russian Navy, Russia does not plan to send her forces all across the world's oceans. This is why Russia maintains a lone aircraft carrier while the US Navy's 11-carrier fleet operates on a continuing global deployment cycle. Instead of carriers designed for offensive power projection at sea, the Russians are investing in an expanding fleet of submarines that can supplement their nuclear force and, conventionally, threaten an enemy surface fleet in nearby waters such as the Black Sea, the Baltic Sea or the Mediterranean Sea.

Russia possesses a very sizable arsenal, which suffers with deep structural problems associated with age and the lack of maintenance. As the equipment continues to age, maintenance becomes more expensive, taking up more of the defence budget. The equipment will also be retired at an ever-increasing pace as it becomes obsolete. Russia has made small amounts of advanced weaponry, which



has been widely acknowledged. In the last decade the air force has taken delivery of the Su-34 combat aircraft, the Iskander theatre ballistic missile system, the S-400 air defence system and the BMD-4 airborne combat vehicle. These platforms are considered amongst the best in their category. The qualities of Russia's aircraft are also weaker than those of the US, but Russia has cutting-edge anti-stealth systems, and also has invested heavily in robust surface-to-air missile systems and arrayed her forces domestically to protect her border regions. The static airpower picture favours Russia because they have a lot of capability in air defence and a variety of tactical and cruise and ballistic missiles.

Russia military is not engaged in a global struggle to ferment revolutions and establish communism. Her focus is much more limited today and in protecting Russia's large territory and projecting power into the former Soviet Republics. Whilst Russia has a standing army of around 700,000 troops it struggles to equip them with modern weapons because it struggles to finance the military due to her economic challenges. In this light Russia uses other means to show she's a power, her military really plays the role of local defence and power projection just across her borders.



Russia's Syria intervention in Perspective

Russia intervened in Syria after Bashar al-Assad in the summer of 2015 highlighted he had lost most of the country and was giving up regaining the north of the country. Russia's intervention on 30th September 2015 eventually turned the tide in the country. Russia has sought to use her intervention to show she's a global power



Russia's intervention in Syria has been a testing ground for her troops, equipment and combat capabilities. Since the end of the Cold War Russia has only been involved in conflicts that were adjacent to it e.g. Ukraine, Georgia and Chechnya. In Syria, Russia needed to project force into the country, which is a considerable distance away. With no land routes, Russia sustained troops in operations far from home through airlifts and naval transport which included maintaining them for long periods of combat operations.

Russian combat aircraft in Syria averaged 40-50 sorties per day, with peaks as high as 100 such as which occurred in January 2016. Russia achieved this without deploying more than 30-50 combat aircraft and 16-40 helicopters to Syria throughout the campaign.

The Syrian intervention was in a foreign land with no cultural links and required Russian forces to communicate and partner with Syrian forces, something they have not undertaken for a considerable amount of time. There were numerous reports and rumours of friction between Russian troops and their local partners but after the battlefield death of Lt.-Gen. Valery Asapov on 23rd September 2017, the Russian military said that Asapov not only was an adviser for Syrian government forces but was also integrated into the Syrian military's chain of command as the commander of her Fifth Corps.⁵⁴ Syria presented a major test for Russia's combat aviation. The air war in Syria was complex, involving constant close air

support and ground attack missions in a crowded airspace where numerous air forces, including those of the US led coalitions, which were simultaneously conducting operations.

Russia entered the war in Syria in the wake of a major modernisation of her military and tested more than 160 new types of weapons systems. Russian forces employed new sea and air-launched land-attack cruise missiles, deployed new types of air defence systems and battlefield drones as well as extensive use of next-generation electronic warfare systems. The campaign also accounted for the most widespread use of precision-guided munitions in Russian history. The Su-34 and Su-35 aircraft and the S-400 surface-to-air missile system had a very prominent role and were purchased by a number of countries who witnessed these systems in action in Syria.

At her peak Russia had around 5000 troops in Syria, which for Russia is the equivalent of a small scale military training exercise. As Russia provided mainly air support to Syrian forces, militia and Iranian fighters, Russia was not on the receiving end of many dead soldiers. The rebel groups Russia was fighting also lacked surface-to-air capabilities so Russian aircraft did not need to worry about being targeted in the air.

The most critical aspect that made Russia's intervention in Syria possible and easy was the response of the US. Whilst the US opposed Russia's intervention in Ukraine, placed sanctions on the country and moved NATO closer to Russia's borders, none of this took place in Syria. The US did not oppose Russia but in fact facilitated Russia's move into Syria by agreeing an airspace protocol so both parties could share Syria's airspace. This is what made Russia's position in Syria tenable as Russia lacks the capabilities to project power so far from her territory. This is why Russia's Syrian adventure needs to be put in perspective as it in reality does not prove Russia's military capabilities are growing, despite the show of some new weapons.

THE FUTURE OF WARFARE

HYPERSONIC WEAPONS

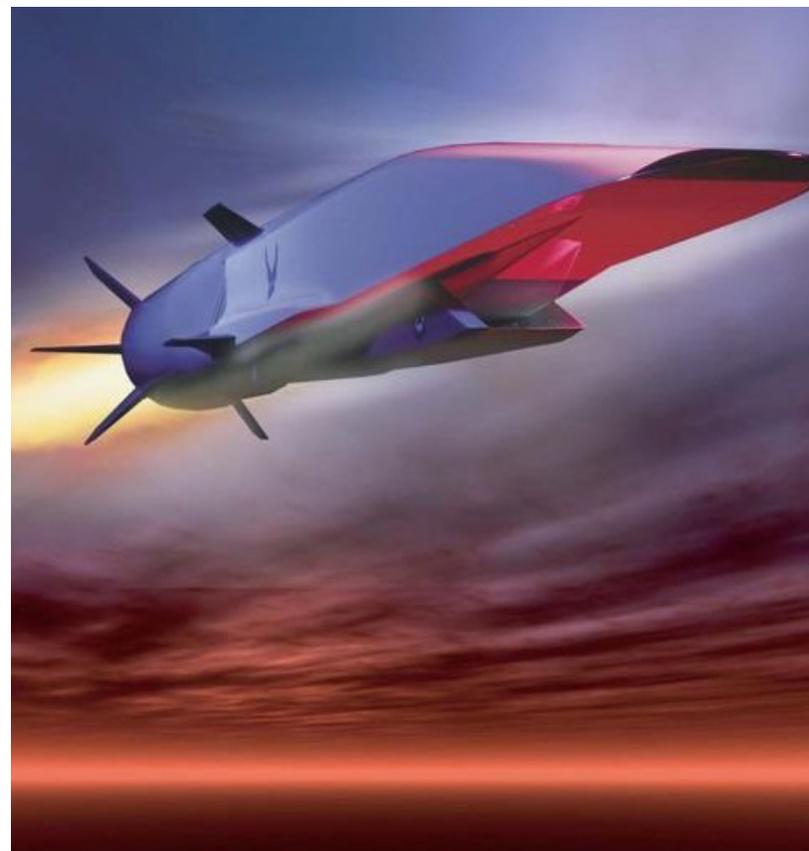
The key to warfare in the 21st century will remain precision. The more precise weapons are, the fewer have to be fired. The key trend for the remainder of the century is a weapon system that can reach the other side of the world, extremely quickly, manoeuvre with agility to avoid surface-to-air missiles, strike with precision, and return to carry out another mission. The 21st century is likely to be the century of hypersonic weapons. In fact, the arms race in hypersonic aircraft and missiles has already begun. To qualify as “hypersonic,” an object would have to move at least five times the speed of sound (Mach 5 – 3,806 mph), as well as be able to evade counter-fire and strike with great precision. To date, no country has achieved this performance but the US, China and Russia are all aggressively developing hypersonic weapons.

For most operational needs today, subsonic missile speed i.e. up to the speed of sound is generally considered sufficient. Yet it has proven critically insufficient at key historical moments. Many strategists remember in 1998 when US President Bill Clinton tried (and failed) to take out Osama bin Laden by launching Tomahawk cruise missiles from the Arabian Sea, targeting an Al-Qaeda training camp in eastern Afghanistan. Travelling at a speed of approximately 550 mph, the Tomahawks needed two hours to reach their target, by which time bin Laden had already been gone for an hour. This example has often been cited as an illustration of the urgency to develop faster systems, able to strike with greater speeds. Hypersonic missiles could overcome the constraints of time, distance, and advanced early warning systems. In a scenario where a missile would have to travel a distance of 1,000 km to reach its target, a subsonic system (at 767 mph) would need 48 minutes, whereas a supersonic system (Mach 2.8) would need 17 minutes and a hypersonic one (flying at Mach 6) just nine minutes.

The challenge with such weapons is getting them to speeds well in excess of the speed of sound and making sure they do not break up with the air friction and intense heat. The propulsion system is central in getting an object to its destination. Current missiles utilise turbojet and turbofan propulsion, but these do not work at speeds above the

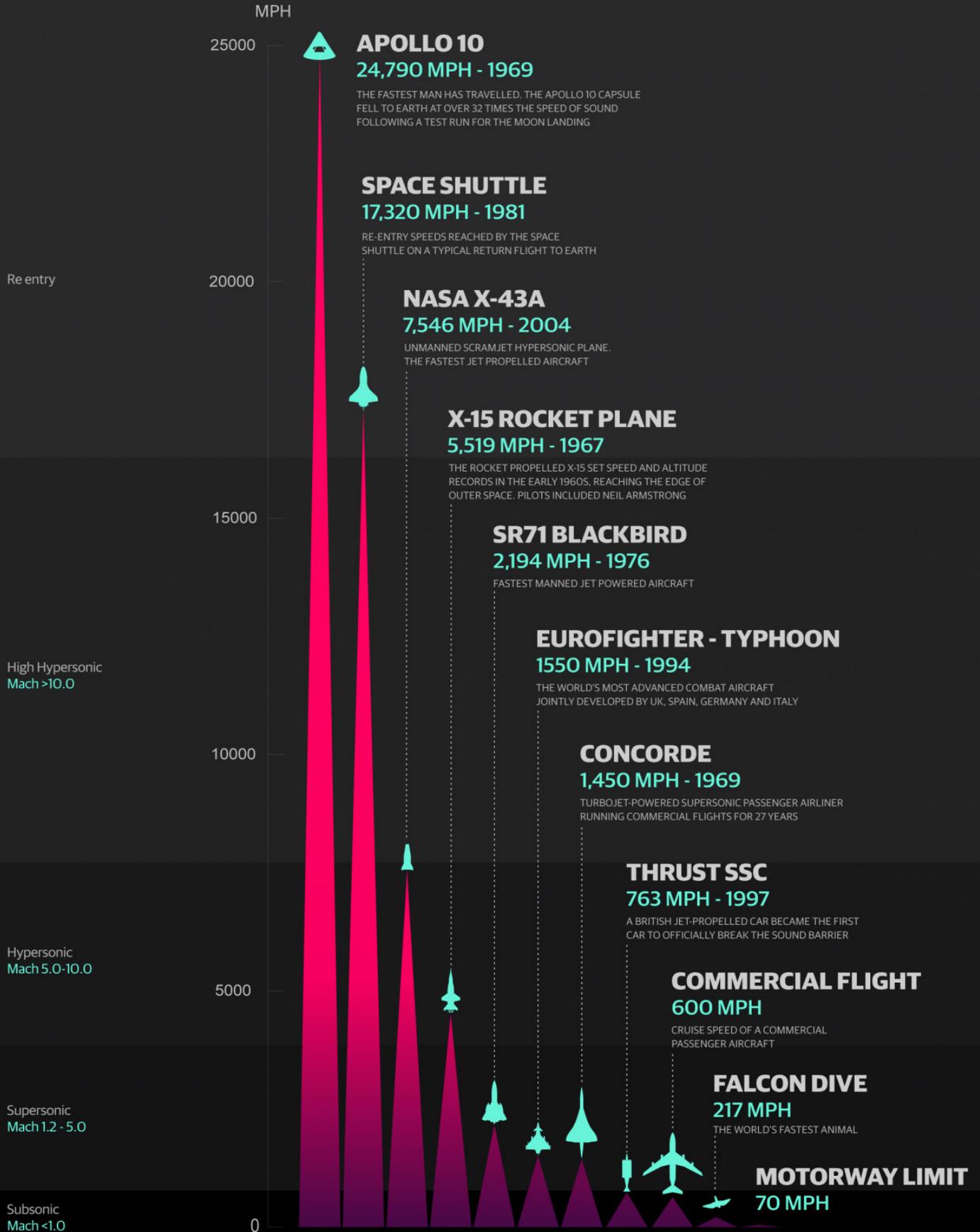
speed of sound (Mach 1). Conversely, the higher-speed motors don't work at lower speeds. Ramjets and scramjets work best at higher supersonic and hypersonic speeds, but they do not work at slow speeds. Ramjet and scramjet engines are simpler in design and lack rotating components and therefore do not have major moving parts such as spinning blades. Such weapons will also need new materials that can withstand extremely high temperatures caused by friction with the air. Building enough hypersonic missiles to devastate a potential enemy would be extremely expensive. But the savings would outweigh the costs with a reduced armed forces structure. It would also reduce the need for huge stockpiles of petrol to fuel tanks, planes, and ships. This would mean the armies of the 21st century can be much smaller and more professional than previous forces, and highly technological. It will not be necessary to devastate entire cities to destroy one building.

Speed, range, and accuracy, and many unmanned aircraft, will substitute for the massed forces that are currently required to win wars.



SPEED COMPARISON CHART

A VISUALISATION OF MAN'S HIGH SPEED ENDEAVOURS



SPACE: THE FINAL FRONTIER FOR WAR

Space represents the 4th frontier after land, sea and air and for nearly half a century epitomised an important arena for dominance and superiority. Over 800 satellites orbit the earth every day for purposes such as weather monitoring, help in search and rescue, help in potential natural disaster detection, coordinating efforts on detecting and dealing with issues of space debris and minimising harmful impacts on Earth and research in sciences. Many satellites also have military use, from reconnaissance to guiding weapons systems.

Satellites remain the main focus of military space activities. They are widely used to provide support for military or security related activities such as verifying compliance with arms control treaties. There are over 270 military satellites as well as 600 civil, commercial and multi-purpose satellites orbiting the earth and many satellites are increasingly 'dual-use' (can be used for both military and non-military purposes).

An increasing, ongoing presence in space is essential for civilian and military communications. Satellite functions include navigation systems such as GPS, weather data and communications relays. But the significance of space goes beyond satellites. Throughout history, research done to advance space exploration has found a way into everyday life, from something as simple as Velcro to advanced composite materials that can withstand immense heat. Research currently targeted for space also has the potential to improve earth-based technologies. Ongoing development in space has already had tangible benefits, including increased cell phone coverage (and ease of international calls), improved weather and GPS coverage and improved mapping technology.

Space has always been a phenomenally expensive place in which to operate. It took years and immense national efforts on the part of the Soviet Union and the US to put men and material into orbit. Underlying this was the need to operate effectively in a set of harsh environments, from launch to outer space. Even today, only nine countries and a conglomeration of European states have the ability to launch a payload into orbit. Because they were so expensive, the first space-based platforms were put in place to support national strategic needs.

Space-based assets provide the intelligence; surveillance and reconnaissance that help enable the use of precision strike weapons. These and other assets in orbit have come to play a central role in a variety of military operations

around the globe. Continued advancements in space-related technology are enabling many nations, especially China to compete on the commercial and military fronts as more activity becomes dependent on space-based infrastructure. Prior to satellite communications, surveillance and detection abilities and communication were limited by line of sight and by the atmosphere, which can reflect signals and can distort and dilute their strength. Space-based infrastructure enables more efficient communications.

The trends for space are to place weapons outside the Earth's atmosphere. Successive governments since Reagan have long made it clear the US wishes to expand her military capabilities and have weapons in space and therefore also be dominant in this fourth military arena.

This new "ultimate high ground" would provide further superior military capabilities for the US.⁵⁵ In April 2005, Gen. James E. Cartwright, who led the United States Strategic Command, told the Senate Armed Services nuclear forces subcommittee that the goal of developing space weaponry was to allow the nation to deliver an attack "very quickly, with very short time lines on the planning and delivery, any place on the face of the earth." The US has taken such a hard-line stance due to threats it perceives from adversaries, this has resulted in the US voting against a number of treaties, which propose the banning of weapons in space.

This was confirmed in the national space policy of October 2006 which states '*The United States will oppose the development of new legal regimes or other restrictions that seek to prohibit or limit U.S. access to or use of space. Proposed arms control agreements or restrictions must not impair the rights of the United States to conduct research, development, testing, and operations or other activities in space for U.S. national interests.*'⁵⁶

The US has continued the development of technology which would allow it to place weapons in space. In 2004, the US Air Force issued a document called 'Transformation Flight Plan' which envisaged a whole array of space weapons both offensive and defensive. They would include anti-satellite systems and even things called "hypervelocity rod bundles" that could be hurled down on a target from space.⁵⁷

THE WEST AND THE REST

Western military power for a very long time has been based on technological superiority. Even though the Soviet Union was a technological peer competitor, it lost nearly all technological races against the West (nuclear weapons, electronics, and precision weaponry). In the last twenty years, after the highpoint of the West's military dominance in the 1990s, peer competitors reacted with different strategies (anti-access, hybrid war or aggressive nuclear deterrence) and reformed their armies and increased their military research.

While the West for the most part did not rethink its fundamental military goals and structures, the other nations did and now have the upper hand in some fields. For example, Russia has recently produced a main battle tank that has some of the improvements Western engineers talked about for close to thirty years, but none of the leading Western nations have produced new models since then. China is producing anti-ship ballistic missiles that are unique and very dangerous to Western navy task-forces. China especially sees herself forced to react to antiquated but battle-proven US tactics and weaponry, by both mimicking and coming up with new ideas.

The West has for some time poured money into military platforms which is only one aspect of making war. Some of the West's recent projects have been overpriced, one-size-fits-all solutions that lack new ideas. Critics say hope and money are put into projects that might not be at the core of modern warfare, such as AI and cyber-war. Others note that there is a good case to be made for these advances being the foundation of the next generation of weaponry, promising superiority for another generation.

A good example of this is the F-35. This fifth-generation stealth fighter jet might be more vulnerable to more specialised jets, certain radars, swarms of drones, and missiles than previously thought. The West who relies on a handful of main military platforms faces the insecurity of main weapon systems, such as aircraft carriers (to missiles) or main battle tanks (to IEDs, missiles). They are very expensive and much specialised, and overly vulnerable to cheap weaponry. Like the knights of the Middle Ages, these platforms are protected behind expensive weaponry that is vulnerable. In coming decades, Western armies will encounter intelligent mines and munitions that are cheap and level the battlefield between two vastly different armies.



CONCLUSIONS

The global superpower is now facing domestic challenges which have reached an inflection point. The US maintains a Global Empire which costs a considerable amount, and it benefits a select few in the US. This economic inequality has brought to the surface racial and many other divides which politicians use to achieve their own ends. COVID-19 exposed these divides even further as the world's richest country has struggled to deal with the virus through the virus's lethality and sheer mismanagement.

Today the US is no longer the power she was a decade ago. The US soft power was undermined by the US herself as she trampled over the very values she was propagating. The last decade has also seen the rise of the rest, who consider the US position untenable and overstretched. The US has been forced to adapt and the rise of Donald Trump saw the abandonment of values promotion and a focus on naked and raw transactionalism and national interest. Although the US remains the global hegemon she suffers from the empire-problem in that her global position is now impacting her domestic situation. Political paralysis, egos and personal promotion over national interest is dominating the US. For the moment this has not led to paralysis in foreign policy but on this trajectory, this is what it will lead to. President Trump's flip-flopping, constant lies and personal attacks on his allies, has made the US an unreliable partner in global affairs. Whilst this may be popular with the US public, it makes for an unlikely partner for her allies. If anyone took advantage of this, the US will find herself in serious problems.

The COVID-19 pandemic has had a big impact on Chinese economy as it relies upon exporting to foreign markets. China's approach to COVID-19 gained significant global attention as it locked down a whole province of over 70

million people and whilst the Communist Party tried to use this to dampen the demonstrations but these have only continued. China has put in place a strategy to untangle herself from the US and raise her global stature, for the moment however, China remains a challenge to the US in one of the world's regions only, and it lacks the capabilities or means to challenge the US elsewhere. Unless she can make her strategic plans a success then it would be in a position to engage in global struggle with the US.

Russia in the last decade has managed to gain control over the problems that plagued it after the collapse of the Soviet Union, but despite all the media coverage and rhetoric that comes out of Moscow there is in reality no international struggle between Russia and the US. Russia despite making moves around the world, many of these are for economic and commercial purposes, whilst others are to make Russia look strong. Nowhere has Russia been able to compete with US plans or impose Russia's agenda upon an issue: this is because Russia lacks the economic, military and political capabilities to do so. Now Russia is facing challenges in the former Soviet republics which Russia considers part of her national security. Despite what Russia is doing in Syria and Libya it's these issues closer to home that are strategic to Russia and are now seeing the people turn against Russia.

The US was for long far ahead of the other powers in the world but now she is facing a multitude of problems domestically which any foreign power could take advantage of, and use for their own advantage. For the moment it remains to be seen if any regional power can push beyond their regions and pose a direct challenge to the global superpower.

2021



China Vs US

China is now officially the regional power on the ascent that is challenging the US position in South-East Asia. The prospect of China emerging as a continental power has now made it a target of the US. The neocon administration in the 2000s defined China as a competitor rather than the partner the Bill Clinton administration long called it throughout the 1990's. But the Bush administration was marred by the Afghan and Iraq wars and was unable to focus on China and put little resources into containing China. The Obama administration put resources into containing China and moved 60% of the nation's aircraft carriers in its pivot to Asia to the region to deal with the rise of China. The Trump administration took this a step further and began economic warfare with China. Despite a number of rounds of tariff increases and designating China a currency manipulator (and later removing it) on the substantive issues nothing has been resolved. For the USA, China is its number one priority.

The Us President Has His Work Cut Out

Joe Biden will be inaugurated on 20th January 2021 and will be handed a myriad of challenges from the outgoing Trump administration. President Joe Biden will need to salvage Afghanistan as the 4th president to deal with the country. The US president will have to deal with an overstretched Empire which is a huge financial drain on the US economy. President Joe Biden will need to repair the damage to US alliances and partnerships that Trump believed needed destroying in order to save the US. President Joe Biden will need to also repair America's damaged global image as the nation's reputation has declined among key allies and partners. The US is now suffering from domestic political polarisation, which Donald Trump flamed rather than resolved. For the USA to be effective globally it needs a level of stability and unity domestically. The American system now faces its most significant challenge in recent history. The US president will also face a crisis of global leadership as President Trump replaced values and ideology promotion with the mantra of America first and transactional relations. President Joe Biden will have to come up with something if it wants to regain America's global leadership.

The Abandonment Of Palestine

In 1979 Egypt formally recognised the Zionist entity in a formal treaty. It would take over another decade for Jordan to do the same, it then took a quarter of a century for the next nations to recognise Israel and establish normal relations. Under pressure from the US a number of Gulf states entered into normalisation agreements with the Zionist entity in 2020, with others, also likely to go public in 2021. The Palestinian people appear to now be officially abandoned after decades of support from nations who used their struggle for their own legitimacy. But the rulers in the Muslim world do this at odds with opinion across the Muslim world. Saudi Arabia continues to deny normalisation talks due to the public reaction and in 2021 it will be key to see how the Muslims globally respond against rulers who go against their sentiments and support for the Palestinian cause.

Iran Elections

Iranian presidential elections are due to take place in June 2021. When the USA quit the nuclear deal in 2018 and imposed devastating sanctions the faction that believed Iran could do business with the USA lost popularity. The 2015 Joint Comprehensive Plan of Action (JCPOA), agreed between President Rouhani and the USA, UK, France, China, Russia and Germany promised to be a path to international acceptance. Whilst Iran has generally still stuck to the deal many in the Iranian leadership believe they cannot trust American deals and this is leading to a surge in popularity for conservative candidates. The Iranian political system is a complex labyrinth that spreads power between different organs. But the Iranian system established by the clerics is struggling as many in Iran believe the clerics have run the country into the ground; many in Iran believe change is now needed. Demonstrations were already taking place at the end of 2019 and the murder of IRGC commander Qasim Suleimani and subsequent denials by the regime of accidentally shooting down a civilian airliner only added to their woes. The context the elections will be taking place in is important as it takes place with little confidence in the clerical political leadership.



China's Hong Kong Problem

2021 will be a critical year for China as it attempts to show it is a unified nation and has all its territories under control. The COVID-19 pandemic allowed China's leadership to clamp down on Hong Kong protests and in June 2020 it passed a law that ended the one nation, two systems political system. The Chinese leadership believes it has taken back control of the financial hub and used the COVID-19 pandemic to restrict protests. But Hong Kongers are now reaching out to supporters across the world and as China uses the new national security law to interfere in the Islands legal system, 2021 will be an important year for Hong Kongers to remain separate from mainland China and for the Chinese leadership to show its writ is paramount.

The Battle For The Microchip

Whilst China is the world's factory, one area it has been trying to excel in is the microchip and it's the area the US has been most aggressive to stop China excelling in. Microprocessor chips power smart phones, PC's, servers and the cloud and their speed are critical to most everyday tasks. Whilst the US and its allies – Taiwan and South Korea dominate this market the US has been trying to limit China's capabilities by imposing restrictions and many nations are still deciding whether to buckle under US pressure to abandon Chinese chips or go with Beijing's cheaper and growing microchip industry. 2021 will see the new US president outline his China plan, for China this tech industry is key if it wants to be a power in the future.

Global Inequality To Get Worse

COVID-19 not only led to major job losses, but it also accelerated global wealth inequality. Even before the COVID-19 pandemic many saw national governments working primarily for the interests of the top 1%. When England's top football striker must beg the government to give food vouchers to children in the world's 5th richest economy, something has seriously gone wrong. History is littered with examples of elites preferring their own short-term benefits over the rest and this inequality lies at the heart of nearly every popular revolution in mankind. Whilst global wealth inequality was getting worse, the pandemic has exacerbated this problem. Push back at government policies and lack of welfare for the majority will be key signs to watch for in 2021.

Global Power Shifting To The East?

With the rise of China many have for long considered global power ebbing away from the west who dominated the globe for the best part of 500 years to the Far East. Whilst economic power was already moving East the COVID-19 pandemic has seen a growing admiration for the East Asian response. The response by countries such as China, Singapore, South Korea and Taiwan stands in contrast to those of the US, Britain, France and Spain. The lower death rates in the Far East and the contrasting responses has seen many praise their better governance around pandemics. As the USA walks away from global institutions its now China who is presenting itself as a reliable multilateral partner. In 2021 it remains to be seen if the West can reclaim its soft power as many look to the Far East in admiration.



The End Of Populism?

Numerous populists in recent times saw success at the polls as many lost faith in mainstream politicians. Many turned to populist personalities in the hope they would be different. In the USA, Ukraine, Hungary, Brazil, Pakistan and a slew of other nations populist leaders found success. The COVID-19 outbreak was the first real test of such leaders delivering on their rhetoric and the results are not promising. USA president Donald Trump dismissed the virus and promoted quick cures. Imran Khan of Pakistan changed his mind on a national lockdown on a near daily basis, the army eventually intervened and imposed a national lockdown. Brazil's president, Jair Bolsonaro promoted bogus cures. Many other leaders resorted to fearmongering and scapegoating; Narendra Modi of India blamed his Muslim population for the pandemic. Populist leaders failed to deal with the COVID pandemic and as national economies struggle to generate wealth its likely populist rhetoric will no longer assuage the public mood in 2021.

German Elections

Germany goes to the polls in September 2021 with Angela Merkel, the chancellor of Germany since 2005 exiting. She agreed to step down as leader of the Christian Democratic Union (CDU) in 2018 when they suffered defeats in regional elections. Her party has suffered in recent years as populist leaders did well at polls and Germany's far right managed to win seats in the German parliament. Merkel led Germany during the 2008 global economic crisis and was able to shape the EU around German interests. But her party has struggled to elect a new leader. Kramp-Karrenbauer won the leadership and then resigned after a series of gaffes, raised doubts about her viability as a candidate for chancellor. None of the other candidates Kramp-Karrenbauer defeated have been able to mobilise a support base, even after the leadership elections were moved to the end of 2020 due to COVID-19. Germany is a key nation in the EU, the leader of Germany makes this election even more important.

The Battle For Space

2021 will see a raft of Space missions as a new space race take shape. NASA will try to orbit an asteroid the size of a stadium and orbit the moon with European allies. China also plans to launch parts for its space station in 2021. India also plans to put astronauts into space. China has for long been trying to build its anti-satellite capabilities as well as creating the symbolism that comes with being a space power. In the 20th century space was the final frontier, it's now becoming the new front in the geopolitical struggle between the USA and China.

New Britannia

Britain has left the European Union and spent most of 2020 debating what its relationship will be with the EU on the edge of the European continent. Whilst UK leaders blamed the EU for stalling talks the UK team dragged their feet on the smallest issues such as fishing rights. A deal was finally reached which focused on goods and quotas and tariffs on them. But it left 80% of the British economy, that is based on services out of the discussions. In 2021 and beyond Britain will need to forge its way in a new world, without the EU and with the repercussions of the COVID pandemic and its economic effects. Whilst new trade deals with Japan and Canada have been trumpeted as new era's, on closer inspection they are deals that will make little difference. But cracks are already emerging, with Scotland looking to push through the separation from the UK. Whilst a referendum is not likely in 2021, how the government in London deals with this growing movement will be key in 2021

Imran Khan's Innings Coming To An End?

Just two years into his term, former cricketer turned politician, Imran Khan faces a tsunami of problems. After grand promises of Naya (new) Pakistan, the establishment of the Medina model and a welfare state, the PTI project is now on life support as once die hard supporters have had enough of grand promises, fiery speeches and the constant shifting of blame on others. The Prime Minister is under criticism due to his government's failure to make progress on the economic and political fronts as well as decisively confront the COVID-19 pandemic. The opposition has coalesced into the Pakistan Democratic Movement (PDM) using the same blueprint Imran Khan utilised to oust premier Nawaz Sharif from power. What makes this situation even more critical is due to the support Khan received from the real rulers of Pakistan, the military leadership. Pakistan sits in a critical region, in between China, the US, central Asia and Afghanistan, 2021 will be a critical year for it.

The largest vaccination program in history

will see the largest vaccination program in history take shape but the politics around distribution and government competency is all at stake. Governments across the world struggled to deal with the COVID-19 pandemic and then resorted to economic crushing lockdowns. Governments across the world have promoted the arrival of new vaccines, in record time. Economic nationalism is already rife and “vaccine nationalism” will be a key feature of 2021. With the deaths from COVID-19 still increasing, governments will find an unforgiving public if there are delays in vaccine distribution. The scepticism around vaccines will also be another major problem.

Trouble On Russia's Periphery

Russia is facing significant problems on its frontiers. In 2020 Russia faced significant challenges in the nations on her borders and former Soviet Republics as national election results led many to take to the streets reminiscent of the Colour revolutions of the 2000s. In Belarus and Kyrgyzstan electoral results for long term leaders were challenged by the people leading to the fall of governments. Then in October 2020 in the Caucasus clashes broke out between Azerbaijan and Armenia over Nagorno-Karabakh, a disputed region governed by ethnic Armenians inside Azerbaijan. Azerbaijan scored a stunning victory against Armenia with significant Turkish help, military equipment and guidance. Belarus, Kyrgyzstan, Armenia, Ukraine and the Caucuses are geopolitical imperatives for Russia and these events in 2021 threaten the Russian position as they allow western interference on its borders.

Will Europe Lose North Africa?

In 2020 Mali and Libya both appear to have moved into the US orbit. In Libya, the US now controls both sides of the battle taking place to control the country. The European established government in Tripoli was saved from being conquered by the US asset Khalifa Haftar, when Turkey entered into the conflict and sided with the sitting government in Tripoli. Haftar led the opposition against the government but failed for years to prevail. However, Erdogan confirmed Turkey's actions were agreed with Trump in a phone call. Libya has the largest oil reserves in Africa and successive EU reports have identified Libya as an alternative source of energy for the EU over Russia. This is all now in jeopardy as the US is on the verge of removing Europe from Libya. This then puts Algeria, Tunisia and Morocco under threat which has for long been European proxies. What also strengthened the USA's position in North Africa in 2020 was the successful coup in Mali in 2020 which removed the Pro-French regime by US trained soldiers.

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