

• Tech wars • Hong Kong's changing future • Race to reserve vaccines

THE STRAITS TIMES
Asian Insider

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Trump or
Biden
THE
STAKES
FOR ASIA

Asia watches anxiously as the US election draws closer with uncertainty on whether four more years of the incumbent or a new White House occupant might be better or worse for the region

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The scramble to reserve vaccines

With more than 150 vaccines being developed and tested to contain the spread of the pandemic, governments are striking deals with vaccine manufacturers, to ensure their pre-orders are secure.

Reports say the world's wealthy countries have alone reserved more than two billion doses of the vaccine that could mean limited supplies in the coming year, and make it more difficult for the low- and middle-income countries to secure vaccines for their people. Experts have said that the first vaccine will be available only later this year or early next year after critical Phase III trials have been completed.

Russia, which has started clinical trials of its "Sputnik" vaccines, even though the last stage of trial is far from

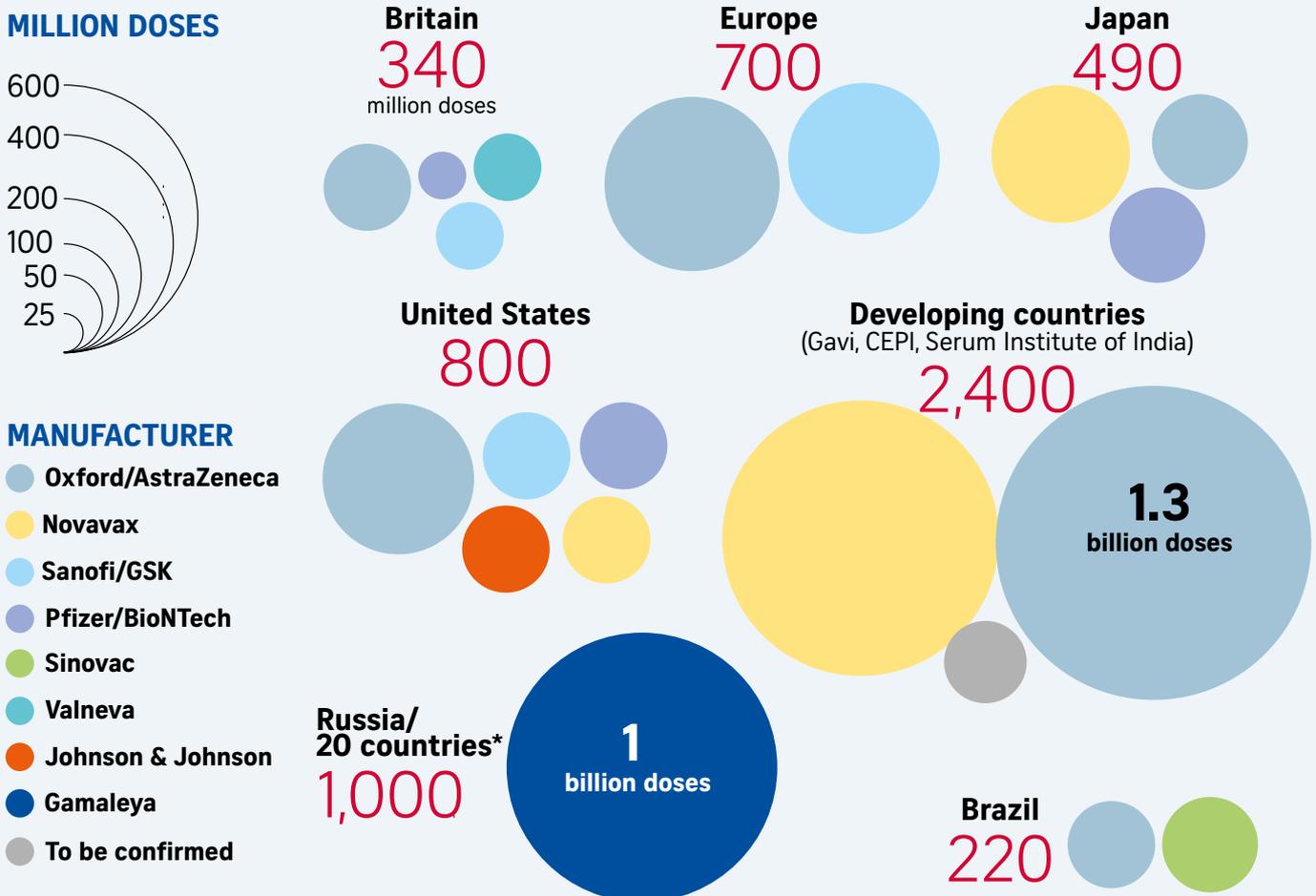
complete leaving many sceptical, has said it has already received requests for one billion doses of the vaccine, from more than 20 countries.

Meanwhile, pre-orders are rolling in for the other manufacturers, nature.com reports. By mid-August, the United States had secured 800 million doses of at least six vaccines in development, with an option to purchase around one billion more.

Britain was the world's highest per-capita buyer, with 340 million purchased: around five doses for each citizen. The European Union nations - which are buying vaccines as a group - and Japan have locked down hundreds of millions of doses of vaccines for themselves, nature.com reports. [SI](#)

Nearly 6 billion doses already reserved

Announcements by countries/organisations of deals to acquire doses or form local production partnerships



NOTE: *Advance orders announced for Russia's Sputnik V vaccine. Countries unidentified

Source: AFP STRAITS TIMES GRAPHICS

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4 *Cover Story*
The stakes for Asia

US election result may not be swiftly known, or accepted

To some, Trump is making China great again



10 *Thinking Aloud*
Kamala Harris viewed from Asia

12 *Special Feature*
Chinese tech companies under siege in America

18 *East Asia Watch*
Chinese missile tests at sea a warning to US

Hardening of US stance on Hong Kong to hit financial institutions badly

23 *Special Feature*
Tracking the multibillion dollar race for vaccines



contents

27 *Environment*

Record floods pose new challenge for China

PHOTO: AFP

32 *Country Report*

New disaffected generation poses challenge to Thai govt

Malaysia's opposition suffers huge setback with loss of non-Malay vote in Perak by-election

India's opposition Congress in public crisis over leadership

38 *Opinion*

Taiwan's tightrope walk between US and China

40 *People*

Abe's right-hand man Suga is front runner in PM race

43 *Economic Affairs*

Why gold is glittering again

48 *Business Trends*

Hyundai's e-vehicles to be built in Singapore

50 *Lifestyle*

More made-in-India works coming to Netflix

52 *Big Picture*

Now you see me, now you don't



TRUMP V BIDEN 2020

The stakes for Asia



Foreign policies of the two differ but the US-China reality in the region might stay the same.

AS THE UNITED STATES BARRELS TOWARDS ONE of the most consequential elections in its modern history, more is at stake for the world than a single country's future.

From the barrios of El Salvador to the fishing villages that rim the South China Sea, the ramifications of the US presidential election in November will be felt across the planet – but arguably nowhere more so than in Asia, where governments from Taiwan and Japan to India and Indonesia have felt the long reach of a rising China.

While domestic political priorities have fluctuated between administrations in the US, there has been a degree of continuity in foreign policy.

But under the Donald Trump administration, the relationship with China, which was already laced with bitterness over unfair trade and market access by 2016, has massively deteriorated from the rose-tinted era that preceded it.

A phase one trade deal remains intact, but, in the words of China's Foreign Minister Wang Yi, the relationship between the two countries is at its lowest point in 40 years.

While a Joe Biden victory could mean significant changes in how the US approaches the world, tensions with China will remain. The idea of a free and open Indo-Pacific will remain a centrepiece of US policy, according to analysts and diplomats.

India is seen by the US as a natural partner sharing this notion, even as New Delhi hedges its bets and stops short of being seen as an ally of Washington.

Broadly, a Biden administration will re-engage the US in multilateral arrangements – like the Paris Agreement on combating climate change. Mr Biden may also reverse President Trump's abandonment of the World Health Organisation.

The former vice-president's foreign policy group consists of old Barack Obama administration hands. Mr Antony Blinken, a former deputy secretary of state and deputy national security adviser from that administration, is seen as a probable pick for secretary of state should Mr Biden win.

NIRMAL GHOSH
US Bureau Chief



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Mr Blinken said recently on Bloomberg TV: “The first thing is we have to dig out from a strategic deficit that President Trump has put us in.”

In essence, this means re-engaging with the US’ allies.

It also means continued support for Taiwan, which analysts consider to be Beijing’s next target now that it has almost completely absorbed Hong Kong.

While a Joe Biden victory could mean significant changes in how the US approaches the world, tensions with China will remain... And while relations with key allies and partners will remain stable – and Singapore’s relationship with the US is the most pragmatic, functional and based on substance rather than fanfare, analysts say – a shift might occur in interactions with other powers in the region such as North Korea.

Mr Blinken warned in the same interview: “If China is getting signals of impunity, then one’s concern is it may think it can do the same with regard to Taiwan.”

Mr Biden’s website states: “The world does not organise itself. American leadership, backed by clear goals and sound strategies, is necessary to effectively address the defining global challenges of our time. In order to lead again, we must restore our credibility and influence.”

Under the Trump administration and following decades of hostility, threats and insults that had the world worried about nuclear war, North Korea became the focus of high-profile summitry that broke the ice.

But it did not accomplish much more than that.

“There will be a big difference between a Biden presidency and a second Trump term,” said senior fellow and Korea chair Sue Mi Terry of the Centre for Strategic and International Studies (CSIS) in Washington.

“If Biden wins, he will try to restore American alliances and rebuild America’s global leadership,” Dr Terry told The Straits Times. “Biden will be more cautious than Trump about North Korea. He won’t rush into summits with (North Korea’s Chairman) Kim Jong Un.”

Yet it is not clear what he will do, because the Obama-Biden policy of strategic patience did not pay off, she said.

“Biden’s approach will probably depend on what North Korea does. If Kim greets him with a fresh volley of missile and nuclear tests, expect a frosty response from Biden – although without any flamboyant rhetoric.

“If Kim shows a real willingness to negotiate, Biden will probably reciprocate. But he will be looking for real progress, not just photo ops.”

Mr Biden will also likely agree to a five-year, burden-sharing agreement with South Korea for maintaining US troops there, without demanding US\$5 billion (S\$6.9 billion) a year as Mr Trump has done.

While a Joe Biden victory could mean significant changes in how the US approaches the world, tensions with China will remain... And while relations with key allies and partners will remain stable - and Singapore’s relationship with the US is the most pragmatic, functional and based on substance rather than fanfare, analysts say - a shift might occur in interactions with other powers in the region such as North Korea.

”

“Biden will show that he values the South Korea alliance and does not see the deployment of US troops as a profit centre,” Dr Terry said.

South Korea-Japan relations have recently taken a turn for the worse, and Mr Biden is likely to work to resolve them as well, especially given that during the Obama administration, Mr Blinken in particular invested a lot of effort in improving relations between Tokyo and Seoul.

The next administration’s policy on Asia is easier to define if Mr Trump wins. Under a Trump II administration, China would remain a strategic rival and competitor of the US and will not be accepted as an equal partner or a greater voice in determining the global order, said Ms Shihoko Goto, deputy director for Geoeconomics and senior North-east Asia associate at the Asia Programme at the Woodrow Wilson Centre in Washington.

But while a Biden administration would not be conciliatory towards China, it would place greater emphasis on “recruitment of partners and allies to offset China’s threat”, Ms Goto told The Straits Times.

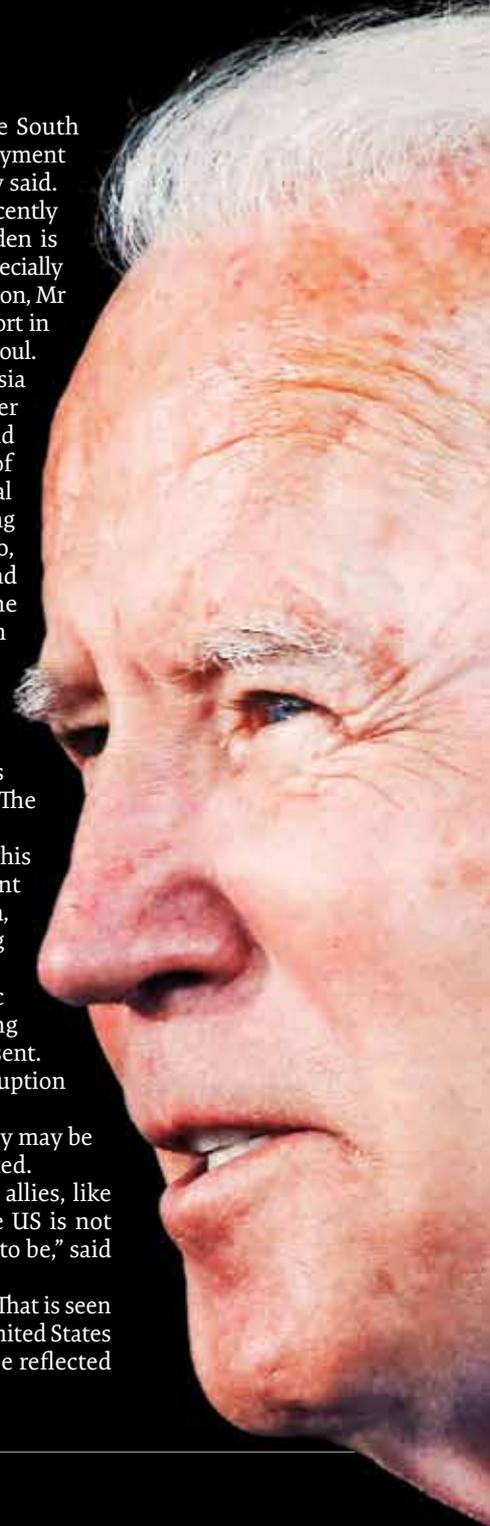
A Trump loss would not be the end of his legacy, analysts said. One clear component of that legacy is the challenge to China, which has been received with grudging if wary appreciation in the region.

Smaller countries in the Indo-Pacific have felt the heat of China’s growing influence and want the US to remain present. What they do not want, though, is a disruption of the status quo.

But another part of Mr Trump’s legacy may be that the US is no longer taken for granted.

“Even for the strongest of American allies, like Japan, there’s a lot of concern that the US is not the steady, reliable partner that it used to be,” said Ms Goto.

“And America is not a united country. That is seen as something that is going to make the United States less effective domestically, which will be reflected in foreign policy.”



This raises the possibility – or the imperative – for individual countries to assume greater power and influence over their own objectives. Japan, for instance, has doubled its military spending over the past couple of years.

On the trade front, Mr Biden may be tempted to open negotiations to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. Many in Washington see Mr Trump's pullout from the erstwhile Trans-Pacific Partnership (TPP) as a mistake – even if his trade war has extracted concessions from China.

Asked at a recent Atlantic Council event what his wish list would be for the next US administration, Singapore's Prime Minister Lee Hsien Loong listed three things: stable relations with China, stability and predictability in US relations and a return to the TPP.

While the US walked away, the rest of the TPP members followed through, he said.

But if the US could find a way politically to come back to it, "you're not only advancing US interests in the region, you're also setting a dynamic in the region towards cooperation and the right rules,

which will help the region to integrate, which will build trust, which will raise standards for trade and for economic exchange", PM Lee said.

As the American election campaign heats up in the next three to four months and with China front and centre for the Trump camp, a Trump victory could still create an opportunity to cool temperatures, said Ms Bonnie Glaser, senior adviser for Asia and director of the China Power Project at the CSIS.

Mr Trump may seek a re-establishment of his friendship with China's President Xi Jinping and look for deals with China that benefit the US. Even Mr Biden, who would inherit some of the Trump administration's measures such as legislation targeting China passed by Congress and tariffs, may use tariffs as leverage, she said, speaking on The Straits Times' Asia Insider video and podcast.

No matter who wins the US presidential election, the reality in Asia will remain the same, said Dr Satu Limaye, vice-president of the East West Centre and its director in Washington.

"Everyone wants to work hard to stay on the right side of the United States. And everyone is simply avoiding being on the wrong side of China." **SI**

US election result may not be swiftly known, or accepted

PRESIDENT DONALD TRUMP HAS SIGNALLED, repeatedly and in the clearest terms, that the United States should be prepared for a disputed election result which could drag on for weeks or months.

Mr Trump, who has pushed the powers of his office beyond the generally accepted norms that have kept presidential power in check and also guided peaceful transitions – significantly facilitated by opponents conceding defeat – is increasingly being seen as gearing up to dispute the result if he loses.

In June, scores of political scientists, analysts, activists and others role-played scenarios for hypothetical outcomes of the Nov 3 election. It was a large group from across the board, all veterans of political and other battles, in a professional exercise. They met four times for tabletop war games.

Saying "that could never happen" was not an option, said Dr Rosa Brooks, professor of constitutional and international law and national security at the Georgetown University Law Centre, who co-founded the group – the Transition Integrity Project.

"You actually have to think... about, 'could they happen, how could they happen? If they happen, what would we do?'" she told Boston radio station and National Public Radio affiliate WBUR.

The group, in a 22-page conclusion on Aug 4, wrote: "We assess with a high degree of likelihood

that November's election will be marked by a chaotic legal and political landscape. We also assess that President Trump is likely to contest the result by both legal and extra-legal means, in an attempt to hold on to power."

Mr Trump claims mail-in voting – long practised in a country as vast and far-flung as the US, and more important now as the Covid-19 pandemic may deter many from lining up at polling stations – is subject to widespread fraud. He has even suggested that ballots will be printed in a foreign country.

Mail-in voting is not without controversy. It is inefficient. There have been cases of fraud. Yet mail-in voting fraud has never been singled out as having swayed the outcome of a presidential election.

The Transition Integrity Project's conclusions are not predictions, but rather possibilities, Dr Brooks emphasised.

But the line between possibility and prediction is sometimes a fine one. Both sides of the political divide – more aptly a chasm across which they shout but rarely listen – are convinced the other will steal the election.

The ingredients are present for a very messy affair. And the very fact that such conversations are taking place is a reminder of the fragility of societies and political systems. **SI**

– Nirmal Ghosh

How they compare

Republican President Donald Trump

Champions an "America First" vision

Democratic presidential nominee Joe Biden

Wants to restore American leadership on the world stage, build stronger ties with allies

CHINA

- Used tariffs to crack down on China for unfair trade practices and struck a preliminary trade deal.
- Closed down a consulate, charged officials and spies with espionage and trade secret theft.
- Sanctioned Chinese officials for human rights abuses, although Mr Trump reportedly told Chinese President Xi Jinping he approved of concentration camps in Xinjiang.
- Cut off Huawei's supply of chips and slapped restrictions on Chinese apps WeChat and TikTok.

- Criticised tariffs and Mr Trump's trade deal.
- Will use existing trade laws and work more closely with allies to pressure China to stop its trade and technology abuses.
- Threatened tougher sanctions against human rights abuses in Xinjiang and encroachment of Hong Kong's democracy.
- Called for the US to shape digital norms and counter China's "high-tech authoritarianism".

SOUTH CHINA SEA

- Championed a "free and open Indo-Pacific", slammed China's militarisation in the contested waters.
- Rejected China's claims in the South China Sea as illegal under international law.

- Pledged to boost the US navy's presence in the Asia-Pacific.

NORTH KOREA

- Attended three summits with North Korean leader Kim Jong Un and claims credit for Pyongyang's suspension of nuclear tests.

- Wants fewer summits and tougher sanctions, could return to a policy emphasising pressure.

ALLIANCES

- Wants Japan and South Korea to pay more for American bases on their soil.
- Working on boosting cooperation between the Quad: the US, Japan, India and Australia.

- Will strengthen alliances with Japan, South Korea, Australia and other Asian democracies.

TRANS-PACIFIC PARTNERSHIP (TPP)

- Exited the TPP, wants to bring manufacturing jobs back to America.

- Supported the TPP as vice-president, but now says he would renegotiate it to boost labour and environment protections.

TEXT: CHARISSA YONG PHOTOS: AFP, GETTY IMAGES NORTH AMERICA STRAITS TIMES GRAPHICS

VIEW FROM ASIA

To some, Trump is making China great again

CHINESE NETIZENS ARE FOND OF COMING UP with nicknames for well-known personalities, and US presidents are not spared.

President Donald Trump has been known as "chuanpu", which is a transliteration of his last name, but also means Chinese spoken with a

Sichuan accent.

At one point, he was also referred to as "chuang po", another rendering of his last name, which literally means "breaking bed".

But the latest moniker that the Chinese have bestowed on him has stuck and spread across the

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A giant screen showing a news footage of Chinese President Xi Jinping in China. Compared with Mr Donald Trump, who has increasingly been cast by Chinese state media as having gone off his rocker, Mr Xi is seen as being above the fray and busy with tending to domestic affairs.

PHOTO: REUTERS



country, an indication of its resonance with the people.

He's now regularly called "chuan jianguo", or "nation-building Trump", for his perceived contributions to China's development, much like the nearly one million people named "jianguo" in China, of which 24 per cent were born in the first decade after the Chinese Communist Party came into power, based on data from the National Citizen Identity Information Centre.

The hawkish Global Times editor-in-chief Hu Xijin tweeted in May that the Chinese "wish for your re-election because you can make America eccentric and thus hateful for the world. You help promote unity in China and you also make intl news as fun as comedy."

Mr Trump may have launched a bruising trade war against China, gone after its tech companies and government officials, and brought Sino-US relations to the brink of collapse, but some within the Chinese leadership believe another four years of a tumultuous relationship could serve Beijing better than a Democrat in the White House.

"Trump is destroying the US, and from a strategic point of view, China would want to maximise its own interest and minimise US interest, and Trump is helping to do that," says a source familiar with the Chinese leadership's thinking, who declined to be named because of a recent gag order from the government.

Compared with Mr Trump, who has increasingly been cast by Chinese state media as having gone off his rocker, President Xi Jinping is seen as being above the fray and busy with tending to domestic affairs.

Political pundits have all deduced that Beijing prefers Democrat nominee Joe Biden for a more rational, although no less tough engagement with China.

Chinese netizens have also made less of a mockery of him in their choice of his nickname: "Bai zhenhua".

Mr Biden's Chinese name has been translated as

"baideng", while zhenhua is a truncation of "zhenxin zhonghua", a revolutionary slogan which means to revitalise China.

The reason: Mr Biden had during his election campaign been using a famous dictum by Mao Zedong.

"Women hold up half the sky", Mr Biden has said in interviews and speeches, such as when asked why he picked Ms Kamala Harris as his running mate.

Chinese officials have been careful not to be drawn into discussing the presidential election or the two candidates, maintaining over the months that China is not interested in meddling with US internal affairs, just as it routinely tells off the US for interfering in China's domestic issues to do with Hong Kong, Taiwan and Xinjiang.

Last month, Foreign Ministry spokesman Zhao Lijian, when asked to comment on Mr Trump's assertion during his Republican National Congress speech that China will "own" the US if Biden wins the election, urged again for bilateral relations to get "back to the right track".

"The Chinese think Biden is a much more politically able person, and he will lessen the tension," says Associate Professor Alfred Wu of the Lee Kuan Yew School of Public Policy.

Those with an international perspective will understand that a Biden administration may pose a greater strategic threat to China as it seeks to reinstate America's global leadership and interest in multilateralism, while forging an alliance of like-minded nations to contain China.

But Prof Wu believes many senior officials and public intellectuals in China do not quite grasp or care about the souring international public opinion on it, and are thus ill-prepared for both Trump and Biden leaderships.

"From China's point of view, only when it strengthens its economic power, will it not be subjected to bullying anymore. When my economic size is closer to yours, you will be more friendly towards me. This mindset is very clear." **ST**

READ MORE ONLINE:

The China factor in US polls

Nirmal Ghosh
US Bureau Chief

<https://str.sg/J7Ev>



South-east Asia closely tracks foreign policies of both candidates

BHAGYASHREE GAREKAR

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SOUTH-EAST ASIA HAS HAD A WILD RIDE IN President Donald Trump's first term. On his very first day in office, Mr Trump pulled the United States out of the Trans-Pacific Partnership (TPP), a free trade agreement that would have been the largest in the world had it materialised. The region swallowed hard. The trade-dependent economies were rocked again when he launched a trade war with China, the largest trading partner for most regional economies.

But he stood with regional leaders at the 2017 US-Asean summit in Manila – only to be a no-show for the next two years, and has not attended a single East Asia Summit (EAS).

The ripples from his free and open Indo-Pacific policy, with a strikingly adversarial position on China, have created a new choppiness in the South China Sea, the site where the two superpowers come in direct and frequent contact.

As his four-year term comes to an end, Mr Trump has a viable challenger in Democratic candidate Joe Biden, who leads in opinion polls.

The vice-president to then President Barack Obama has promised to renegotiate the TPP and favours strengthening alliances Mr Trump found burdensome.

“Trump is renowned for his unpredictability, his officials are a mix of ideologues and hardliners – that’s not particularly encouraging towards cooling tensions with China,” says Professor Joseph Liow, dean of the College of Humanities, Arts and Social Sciences at the Nanyang Technological University.

“The region is familiar with Biden because of the Obama years. He is likely to return US foreign policymaking to a more familiar approach. But the beating of the drums on China is going to continue. The world has changed substantively since the Obama administration,” he adds.

Mr Biden's more traditional alliance and multilateral institutional approach is a draw for many. Says Dr Charles Morrison, an expert on South-east Asian issues at the Honolulu-based East-West Centre: “Biden would return to the Paris climate accords, he would like to strengthen the World Health Organisation, and he promises to work multilaterally



with allies and friends to counteract challenges to the rule of law and maintain a strong US global and regional leadership role.”

So who would the region prefer? “Some countries might feel the Trump administration has paid attention to critical issues where Obama and his predecessors were reluctant to take a strong position – the rule of law in the South China Sea, for example,” says Prof Liow. “Still, there is no one candidate the entire region will say ‘yay’ for.”

Says Dr Morrison: “In the long-run, a Biden administration might consider a revised version of the TPP as a set of strong trade rules that China would eventually want to benchmark. A Biden administration will want to play a significant and leading role in APEC and EAS and resume a robust dialogue with Asean nations and their leaders.”

On Singapore, Prof Liow notes it has always been able to work with both Democratic and Republican administrations. “Trump’s has not been the conventional Republican administration. But Singapore has been able to sustain engagement with his officials, especially in defence cooperation, which has been outstanding,” he says.

Last September, Prime Minister Lee Hsien Loong and Mr Trump renewed a key defence pact that allows American forces to use Singapore’s air and naval bases, extending it by another 15 years to 2035.

The post for US ambassador in Singapore, however, was never filled. **ST**

Go online for more views from South-east Asia:

<https://str.sg/J7EF>

Singapore Prime Minister Lee Hsien Loong and US President Donald Trump seen in New York in September last year. The two leaders renewed a key defence pact that allows American forces to use Singapore's air and naval bases till 2035.

ST PHOTO: GAVIN FOO

READ MORE ONLINE:

Japan, South Korea don't expect much change in China policy

Walter Sim

Japan Correspondent

<https://str.sg/J7Rg>

Some countries might feel the Trump administration has paid attention to critical issues where Obama and his predecessors were reluctant to take a strong position – the rule of law in the South China Sea, for example. Still, there is no one candidate the entire region will say ‘yay’ for.



– **PROF JOSEPH LIOW**, dean of the College of Humanities, Arts and Social Sciences at the Nanyang Technological University.



Kamala Harris viewed from Asia

Millions of Indians embrace her as their own, though the Modi government and Indian-American groups are wary about her

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Associate Editor



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IF EVER MS KAMALA HARRIS GAINS THE VICE-presidency of the United States and makes a trip to Singapore thereafter, the leadership here should have little difficulty planning a meal at a public venue, as it sometimes likes to do: A thosai at Madras New Woodlands in Upper Dickson Road would make for great visuals. Equally, a steak dinner at Morton's will do just fine.

These are the worlds straddled by Ms Harris, the junior senator from California and former attorney-general of America's richest state who is the child of a Jamaican-born father and a Tamil Indian mother, both US immigrants.

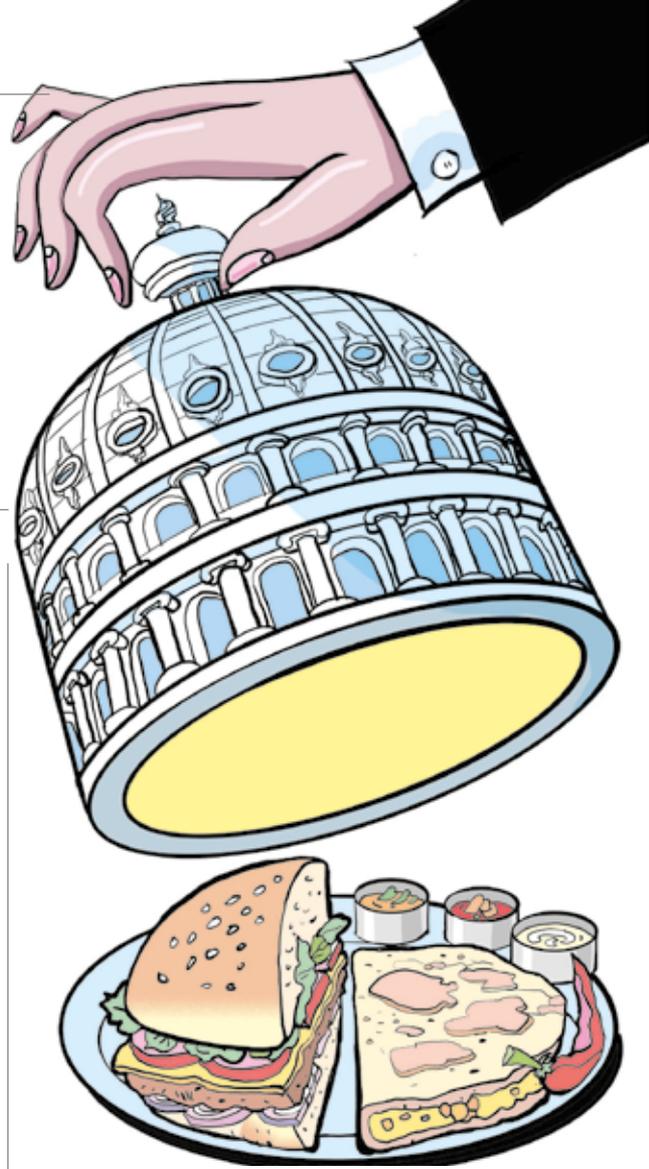
Her mother raised her and her sister to be proud, strong black women and "to know and be proud of our Indian heritage", Ms Harris said after her nomination to be Mr Joseph Biden's running mate for the Nov 3 presidential election was endorsed by the Democratic Party.

Golf legend Tiger Woods rarely makes a big deal of his Asian heritage – his mother is Thai – choosing to stay mostly within the African-American identity inherited from his father but Ms Harris, now just as famous, puts her Asian-ness to good use. Talented as she is in her own chosen trade – law – she didn't win two elections to state attorney-general and subsequently, the Senate, by shying away from clever messaging. She even has a Chinese name.

The mention of her Indian roots by Ms Harris, who went to black colleges such as Howard University in Washington and chaired the Black Students Society at Hastings College in California, is deliberate; Indians are the most prosperous immigrant community in the United States and, also, increasingly active in political life.

Ms Harris surely knows too that many Indian Americans are tilting towards President Donald Trump, in part thanks to the assiduous wooing of the Trump White House by the government of Prime Minister Narendra Modi, who is popular with overseas Indians.

Still, while there have been women candidates for vice-president before her, Ms Harris' presence on the ticket adds a measure of excitement because it is the first time a black woman, and one with half-Asian ethnicity, has come so close to being a heartbeat away from the Oval Office.



ST ILLUSTRATION: CEL GULAPA

How should Asia view the Harris phenomenon? Depending on where you sit, she raises mixed feelings.

For one thing, it is a positive that California, where she was born and raised till the age of 12 – her parents were researchers at Berkeley – is a Pacific-fronting state with close connections to Asia.

Her own persona embraces not only multiracialism but multiculturalism as well. She was, for instance, raised to worship at both a black church and a Hindu temple – values that sit well with most Asian societies, especially those that set store by religious harmony and secular values.

The environment in which she was raised would suggest she would carry an abiding respect for talent and intellect. Her growth, after all, was within the grooves of academe, both in San Francisco and in Montreal, Canada, where her mother moved with her two girls following her divorce.

NUANCED VIEWS

Assuming that there must have been some intense discussions with Mr Biden before she joined

his ticket, it is a fair guess that she would have signed on to the latter's more sophisticated view of the strategic contest with China, if she did not have an even more nuanced view herself.

Although her forte is domestic issues such as law enforcement against the vast foreign policy expertise of Mr Biden, he will most likely be seen as a lame duck from early in the presidency, should he succeed at all.

That's because he would be 78 years old when he takes office and unlikely to seek a second term. That would lend Ms Harris an importance, and influence, that vice-presidents typically do not have.

For these reasons, China's power elite would probably welcome a Biden-Harris rise, even if the average Chinese person on the street may have a more ambivalent view.

It gets more complicated with Japan, and India, land of her mother's birth, where the reverse seems to be the case.

Public opinion polls conducted by Gallup, Yomiuri Shimbun, Nikkei and NHK have consistently shown that most Japanese would not like to see Mr Trump re-elected. However, the ruling Liberal Democratic Party is heavily invested in Mr Trump, partly because of strategic considerations vis-a-vis China and North Korea.

Like Tokyo, New Delhi too has grown to be more comfortable with Republican administrations, seeing them as less ideological on issues like human rights, compared with Democrats.

In February, Mr Modi even risked massive community spreading of the coronavirus in his anxiety to ensure a million-strong turnout for the public reception he accorded the visiting Mr Trump in his home state.

Kamala, in Sanskrit, translates as lotus, which is the symbol of the ruling Bharatiya Janata Party. Ordinarily, the party's Hindu nationalist ideologues should have celebrated her prospective rise as another symbol of global Hindu resurgence. However, the Modi government is markedly wary about Ms Harris, particularly her scepticism about New Delhi's Kashmir policy.

So, even as millions of Indians, particularly in the southern states, rapturously embrace Ms Harris as their own, there has been a mounting social media campaign within Indian-American groups suggesting that both Ms Harris and Mr Biden are "bad news for India." Some trolls even describe Ms Harris as a "Pakistani."

TOUGH CAMPAIGNER

To be sure, the Biden-Harris ticket is by no means a shoo-in on Nov 3. Despite trailing by more than 7 percentage points in popularity rankings currently, Mr Trump is a formidable challenger, with a knack for coining jibes that tend to stick in people's minds – "Crooked Hillary" for Mrs Clinton and "Sleepy Joe" for the near-octogenarian Mr Biden.

Political fortunes can turn. Even as Europe battles a surge in coronavirus cases, US cases are stabilising



Ms Kamala Harris hugging Mr Joe Biden during a campaign stop in March. Voters may be seeking a change and that could leave just enough of an opening for the pair to squeeze through.

PHOTO: REUTERS

and may even start easing by Election Day, helping Mr Trump claim success in handling the pandemic.

If the Biden-Harris pair do make it this time, there is still no guarantee that Ms Harris' political career will advance further, unless Mr Biden's tenure is cut short suddenly and she takes over as president. There are powerful figures in her own party – New York Governor Andrew Cuomo, for instance – who are probably eyeing their national chances for the 2024 nomination.

If she surmounts that obstacle, the task would still be a huge one; in 1960, then-vice president Richard Nixon lost the popular vote narrowly to the young senator from Massachusetts, John F. Kennedy, who swept the Electoral College.

Besides, everyone knows that the popular vote itself is not enough to win the presidency. Mrs Clinton did take it in the last election, as did party mate Al Gore against Mr George W. Bush earlier, but both were thwarted by the Electoral College system.

There's also no saying that if an America that was not ready to make Mrs Clinton the first woman president in 2016 would be more amenable to elect another woman, and a black woman at that, in 2024.

That said, Ms Harris' star could well be on the ascendant.

A candidate's selection is based not merely on qualifications but, more importantly, electability.

Ms Harris' role is to bring in the black voter – traditionally less enthusiastic about turning up to vote – as well as women and millennials.

Despite being the highly educated former US secretary of state, senator and first lady, Mrs Clinton lost in 2016 to Mr Trump partly because of Democratic voter fatigue after eight years of Obama rule, millennials looking to third-party candidates and many Hispanics failing to show up to vote.

But today, amid steep unemployment and a raging pandemic, Americans have good reasons to think that things could not be worse. Older white Americans, many of whom voted for Mr Trump, are among the people most affected by the coronavirus. That may leave them more open to trying a change, leaving just enough of an opening for Mr Biden and Ms Harris to squeeze through. **SI**

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Tencent's booth at the World 5G Exhibition in Beijing, 2019. Together with TikTok, the company faces a ban in the United States from Sept 20.
PHOTO: REUTERS

Special Feature

Chinese tech companies under siege in America

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The US ban on TikTok and WeChat comes amid geopolitical battle with rising techno-nationalism

HUAWEI'S TROUBLES AROUND THE WORLD MAY be far from over, but another two Chinese tech companies have temporarily supplanted the Chinese telecom equipment maker as hot targets in an intensifying rivalry between the world's two biggest powers.

Bytedance, the parent company of the video-sharing sensation TikTok; and Tencent, which owns the super app WeChat, have found themselves in the United States' crosshairs in a geopolitical battle set against the backdrop of rising techno-nationalism.

After months of threats, US President Donald Trump ordered a ban on the two social media platforms from Sept 20, citing a national security risk that could allow China to obtain the personal information of millions of Americans.

It immediately drew a strong rebuke from Beijing, but no forewarning of retaliation just yet.

"Some US policies against TikTok and others are

based on legitimate concerns about data privacy and potential political interference from China, but they are also undeniably being driven by a techno-nationalist push from Trump in the run-in to November's election," said Associate Professor in Practice James Crabtree at the Lee Kuan Yew School of Public Policy.

The twin bans come on the heels of an announcement of a "Clean Network" programme that aims to prohibit China's access to American data.

US Secretary of State Mike Pompeo had unveiled the five-pronged plan that would, among other things, prevent "untrusted" Chinese carriers from connecting to US telecom networks; Chinese smartphone makers from pre-installing certain apps; and Chinese cloud service providers from collecting and storing sensitive information of American citizens and businesses.

Chinese state media have been quick to cast these moves as American bullying.

"With the US cutting its financial support for science and technology due to the costly wars it waged in Afghanistan and Iraq, and China making rapid technological progress thanks to its increased spending during the same period, the US no longer enjoys the overwhelming dominance it once did in science and technology," said a China Daily editorial.

“As such, although Pompeo cited national security concerns as the reason, the purpose of the ‘clean network’ campaign, which is dirty in both the ideas and the means, is to keep Chinese information technology companies on the ropes, so as to give the US some time to regain the commanding heights in high-tech.”

RISE OF CHINESE TECH

The rise of China’s private tech sector has been nothing short of extraordinary. The world has marvelled at how, from a messaging app launched in 2011, Tencent’s WeChat has since managed to combine the services akin to Facebook, PayPal, Google, Amazon and Uber, etc, into a one-stop shop.

Its over one billion users rely on the app to pay for food, shopping and utilities; buy plane, train and movie tickets; and read the news or chat with friends, making the app an indispensable part of everyday life in China.

Tencent was worth US\$686 billion (S\$941 billion) before Mr Trump’s announcement, making it one of Asia’s most valuable companies and among the world’s top Internet companies.

It was the first Chinese company to make it to a Top 10 list of the world’s biggest brands in 2017, alongside Google, Apple, Facebook and Amazon.

E-commerce giant Alibaba joined the ranks a year later. TikTok, the other target in Mr Trump’s sights, is a short-video app that boasts of having two billion registered users in the world, including 165 million in the US. US lawmakers worry that because of the platform’s Chinese ownership, the Chinese government could access its users’ data or use it for purposes of espionage. But evidence is thin for that, say analysts.

The lawmakers’ concerns are also mitigated by the fact that TikTok is an entertainment platform widely used by young Americans, said geo-technology senior analyst Xiaomeng Lu of Eurasia Group.

“The type of data collected from this audience isn’t as valuable as the large-scale data already leaked or hacked from OPM and Equifax,” she told The Straits Times.

The US arrested a Chinese national in 2017 suspected of being involved in stealing the information of more than 22 million people from the records of the Office of Personnel Management, which manages the US government’s civilian workforce.

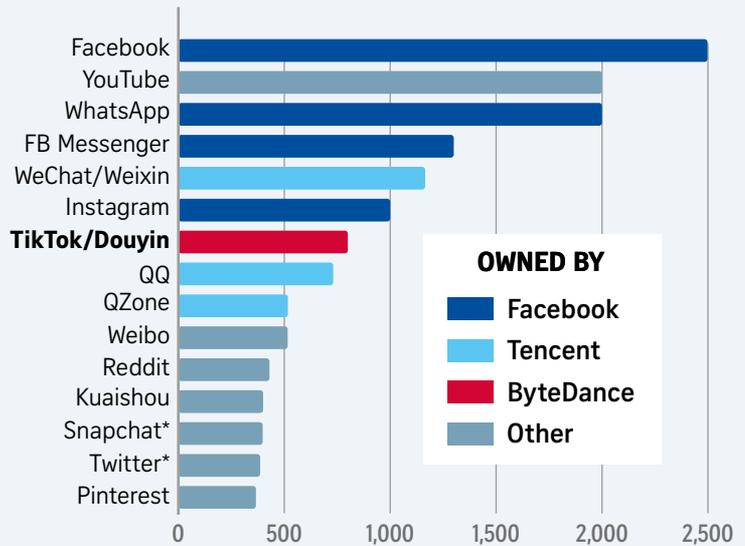
Four members of the Chinese military were also accused by the US Department of Justice in February this year of hacking US credit rating agency Equifax and collecting the private information of over 150 million people in 2017.

CHINESE COMMUNIST PARTY INFLUENCE

At the core of this growing nervousness is a set of Chinese laws over cyber security and national intelligence passed in 2017 that allows the government access to data from network operators in the country, and mandate any organisation or

Most popular social media platforms

Monthly visitors/users in millions. Latest data available as of April 2020



NOTE: *Advertising audience reach rather than monthly users

Source: AFP STRAITS TIMES GRAPHICS

citizen to assist in state intelligence work.

In China’s quest for tech supremacy and to reduce its reliance on foreign players, it has designated some of its top enterprises as “national champions of artificial intelligence”.

In 2017, it gave Alibaba, Tencent, Baidu and iFlytek the mandate to take the development of artificial intelligence to greater heights in various areas, such as autonomous driving and voice intelligence.

Last year, it added Huawei, video surveillance leader Hikvision, electronics giant Xiaomi, e-commerce giant JD.com and several others to the “national team”.

More controversially, the Chinese government has also, since last year, made its presence felt in hundreds of Chinese companies including Alibaba in what has been seen as a bid to exert greater influence over the private sector.

Officials have been physically stationed in these companies in a move that the authorities claim helps make the work between the government and these companies more efficient.

Private enterprises have also been required to institute Communist Party branches or committees if they have three or more party members among their staff. The state media say these cells help to “enhance corporate management and improve teamwork without meddling in decision-making processes”.

That the Chinese Communist Party – which counts Alibaba founder Jack Ma, among 92 million others, as a member – is pervasive in practically all aspects of Chinese life is a fact that liberal democracies find extremely hard to fathom and stomach.

And so, Chinese private companies will never be able to shake off the widespread suspicion that they

Some US policies against TikTok and others are based on legitimate concerns about data privacy and potential political interference from China, but they are also undeniably being driven by a techno-nationalist push from Trump in the run-in to November’s election.



— Associate Professor in Practice James Crabtree at the Lee Kuan Yew School of Public Policy.

are at least not tools of the Chinese government in some shape or form.

Countries have acted on these suspicions, with Australia, Britain, France and the US moving to ban or restrict Huawei from their 5G networks, and India blocking 59 Chinese apps including TikTok and WeChat.

REPERCUSSIONS OR RECONCILIATION?

China has fewer options to retaliate. Its Great Firewall has long shut out the likes of Google, Facebook, Twitter, Instagram and other popular foreign apps.

"It will look for those areas of trade with the United States where it can ban without harming China's interests, such as agriculture, consumer goods and entertainment. It will accelerate its investments and espionage to make China technologically independent," noted Dr James Andrew Lewis, director of technology policy at the Centre for Strategic and International Studies think-tank.

At its annual parliamentary session in May this year, the Chinese government announced it was pumping in 10 trillion yuan (\$2 trillion) over the next six years in an ambitious plan to ramp up digital infrastructure and reduce its dependence on foreign technology.

This big push dovetails with industrial blueprints previously set out in its Made In China 2025 and China Standards 2035 initiatives, and tasks home-

grown giants like Huawei and Baidu to massively pave 5G networks, develop artificial intelligence and build data centres.

President Xi Jinping has in recent months also urged entrepreneurs and officials to step up innovation and embark on a new "internal circulation" economic model that taps domestic consumption and reduces export-reliance.

China certainly does not want a divorce. Its top two diplomats have sent out positive vibes, with Foreign Minister Wang Yi urging the US to "reject decoupling", while Politburo member Yang Jiechi said the door to dialogue has always been open.

US actions against Chinese tech companies will blunt their global ambitions and make them lose their confidence in the US market, said Eurasia Group's Ms Lu.

She cited an exodus of such firms from the American capital market, among them Alibaba's financial technology arm Ant Group, which has shunned New York for a dual listing in Shanghai and Hong Kong. China's biggest online travel company Ctrip is also reported to be mulling over leaving Nasdaq to go private.

"This trend will continue to exacerbate leading up to the November presidential election. A potential (Joe) Biden presidency may lead to reassessment of the treatment of Chinese tech to the extent that damage control is feasible," she said. [ST](#)

TikTok a casualty of deepening US mistrust of China

With a million users in the US, an outright ban on TikTok may make President Trump more unpopular with younger voters, but a sale would be a win-win.

NIRMAL GHOSH
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THE UNITED STATES' MOVE TO BAN OR OTHERWISE cut off the popular Chinese-owned social media app TikTok is part of a concerted effort to cut linkages with China that can be exploited to gather Americans' data – or have any kind of influence in American society.

The theory is that because TikTok is subject to Chinese law, the company can be compelled by the Chinese government to provide access to user data. There is also separate concern over whether TikTok employs content-moderation policies and practices that serve the preferences of the Communist Party of China.

TikTok though, argues that data from US users

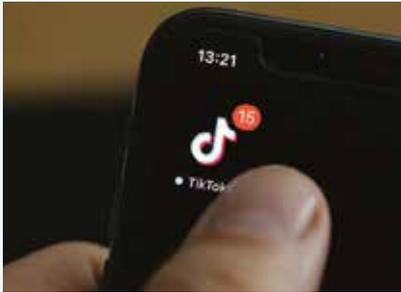
remains exclusively in its servers located in America. And it is difficult, absent hard evidence of data theft or transfer, to separate the TikTok issue from rising anti-Chinese sentiment in America – almost to the point of xenophobia – as the volume on the perceived China threat is turned up by the President's re-election campaign.

"Donald Trump... has constructed an enemy that can be constantly vilified, and whose alleged intentions and actions to end American primacy may generate fear psychosis among American voters," honorary research fellow Atul Bhardwaj and professor of international politics Inderjeet Parmar, both at City, University of London, wrote in the *Economic and Political Weekly*.

"For... President Donald Trump, hitting China hard is good politics as the election approaches," the Eurasia Group said in an e-mail. "He has little good news right now on the economy or coronavirus, but suspicions of China enjoy strong bipartisan and popular support these days."

TikTok is not the first Chinese company to encounter problems in the US. Earlier this year, gaming company Beijing Kunlun Tech Co sold the dating app Grindr for US\$620 million (\$852 million) after being ordered to divest by the Committee on Foreign Investment in the United States (CFIUS).

TikTok Social networking app



Chinese ownership

Released worldwide by Chinese company ByteDance in Aug 2018

Maintains a separate app for the Chinese market, known as Douyin, started Sept 2016

Available in 39 languages

- Estimated **800 million** monthly active users
- **57%** of TikTok/Douyin users live in China
- **36%** of TikTok users live elsewhere in Asia
- **India was top market** for TikTok downloads outside of China in 2019 with 323m
- Estimated **2.2 billion** downloads worldwide
- **App downloaded some 175 million times in the US**
- More than **\$90.7 million** user spending in June 2020



Wanted in the US

US President Donald Trump has given ByteDance 6 weeks to sell its US operations to an American company

A new executive order will take effect in September barring anyone under US jurisdiction from doing business with the owners

The app has been under formal investigation on US national security grounds for being legally bound in China to share the personal data it collects with authorities if they demand it

TikTok files lawsuit on Aug 24, challenging the US government's crackdown on the platform

Source: AFP STRAITS TIMES GRAPHICS

The CFIUS has acquired a wider mandate under the Trump administration to scrutinise foreign investments for national security implications. In January, it was given more power under the Foreign Investment Risk Review Modernization Act of 2018, to review transactions based on the degree of control of a foreign investor.

But even earlier, in 2018, CFIUS forced China's Ant Financial to scrap plans to buy MoneyGram International Inc over concerns about the safety of US citizens' data.

On Aug 2, Secretary of State Mike Pompeo told Fox News: "These Chinese software companies doing business in the United States, whether it's TikTok or WeChat... are feeding data directly to the Chinese Communist Party, their national security apparatus.

"It could be their facial recognition pattern. It could be information about their residence, their phone numbers, their friends, whom they're connected to," he said. "These are true national security issues."

Treasury Secretary Steven Mnuchin said TikTok "cannot stay in its current format. The President can either force a sale or ban the app."

In June, Prime Minister Narendra Modi banned TikTok and other Chinese apps from the Indian market after a skirmish on the border with China



left Indian soldiers dead and plunged relations with Beijing. The ban drew India immediate praise for its "clean apps" approach from Mr Pompeo.

Analysts are wondering what else may be vulnerable to a US ban. Many Chinese-owned apps are used in the US, including Tencent's WeChat.

In the case of TikTok, with a million users in the US, an outright ban may also make the President more unpopular with younger voters. A sale - reportedly under discussion with Microsoft - would be a win-win, with the strategic objective of cutting off from China achieved. [ST](#)

TikTok argues that data from US users remains exclusively in its servers located in America.
PHOTO: REUTERS

The Big Six – China's tech giants

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Starting out as the world's factory, manufacturing low-tech products, China is fast becoming one of its technological superpowers. Today, areas like the hardware mecca of Shenzhen and the innovation hub of Zhongguancun in Beijing, the Chinese capital, have provided fertile ground for China's tech firms to develop and become industry leaders in areas such as drone technology, autonomous vehicles, mobile apps and the Internet.

Here are some of its biggest firms today.



Huawei's global flagship store in Shanghai. PHOTO: AFP

HUAWEI

Market value: Unknown

The multinational telecoms and consumer electronics giant Huawei had humble beginnings as a small-time telecoms equipment trader in Shenzhen in 1987. But over three decades, former People's Liberation Army engineer Ren Zhengfei turned it into a global conglomerate.

It is now the world's second largest smartphone manufacturer, ahead of Apple and behind Samsung. It is also the world's top supplier of telecommunications networking equipment, surpassing Ericsson in 2012.

The Shenzhen-based conglomerate has 180,000 employees and operates in more than 170 countries. It is also employee-owned, chalking up 858.8 billion yuan in revenue last year.

The firm has long been a US target over espionage concerns, its dominance in 5G technology and violating US sanctions on Iran.

Mr Ren's daughter and Huawei's chief financial officer Meng Wanzhou is still in Canada waiting to be extradited to the US, where she faces fraud charges related to breaching the Iran sanctions.

Last year, Washington added Huawei to a trade blacklist, restricting its ability to buy American technology and services without its approval.

While it has since been given some exemptions to continue buying from some American suppliers, Huawei has been racing to develop its own technologies, including its own HarmonyOS for its own devices.

Not much is known of Huawei's financial and organisational structure, and until its recent run-ins with Washington reached a climax last year, founder Mr Ren largely kept a low profile and did not give media interviews.

BAIDU

Market value: US\$43 billion (S\$59 billion)

The Beijing-based Baidu is China's largest search engine (and the world's second-biggest), with about 70 per cent of market share domestically.

Called the "Google of China", Baidu is known informally as one of China's BAT tech giants – Baidu, Alibaba and Tencent.

The company was founded in 2000 by Chinese software engineer Robin Li, who returned home to develop Baidu after working and studying in the United States.

The firm listed on the Nasdaq exchange in 2005, and was one of the first Chinese companies to list in the US.

The firm is also investing heavily in its cloud computing business, saying in April this year that it would plough 200 billion yuan (S\$40 billion) on cloud infrastructure such as data centres over the next three years.

It currently has data centres covering over 20 regions globally.

Alipay, Alibaba's online payment service is part of its subsidiary Ant Financial and, along with WeChat Pay, is one of the top two e-payment services in China.

It has expanded this payment service to over 50 markets globally, where it is used mostly by consumers from mainland China.

Listed in both New York and Hong Kong, Alibaba holds the world record for largest initial public offering, with its US\$25 billion US listing in 2014.



A worker wearing a face mask cleaning the floor, near a Baidu AI robot which shows a face mask on its screen, at Baidu's headquarters in Beijing. PHOTO: REUTERS



The TikTok app is displayed on an Apple iPhone.
PHOTO: GETTY IMAGES NORTH AMERICA

BYTEDANCE

Market value: Estimated between US\$100 billion (\$\$137 billion) and US\$150 billion

Known as the world's most valuable "unicorn" company, ByteDance has recently found itself in the crosshairs of the Trump Administration with its short-video sharing app TikTok.

Washington has labelled TikTok, which reportedly has 100 million users in the US and is wildly popular with the younger generation, as a national security threat.

It has threatened to ban TikTok if the app is not sold to an American firm.

Apart from TikTok, ByteDance also runs Douyin – the mainland Chinese version of TikTok – and Jinri Toutiao, a news aggregator that also doubles as a social networking app.

Within China, Jinri Toutiao has over 250 million monthly users, according to a report by iResearch. Douyin has half a billion monthly active users.

The private company was founded by software engineer Zhang Yiming in 2012, and counts among its investors the world's largest venture capital firms, including Sequoia Capital and SoftBank.

Observers are closely watching ByteDance for how it is leading the way with consumer apps.

It has set its sights beyond China, with TikTok, and other apps including Helo in India and BaBe in Indonesia.

TENCENT

Market value: US\$636 billion (\$\$873 billion)

Tencent was founded by Mr Pony Ma, a computer science graduate of Shenzhen University, in the 1990s along with four others.



China Tencent headquarters feature in Beijing. PHOTO: EPA-EFE



QR codes of the digital payment services WeChat Pay and its competitor Alipay at a meat stall at a fresh market in Beijing, China, on Aug 8.
PHOTO: REUTERS

XIAOMI

Market value: HK\$371.7 billion (\$\$65 billion)

The Beijing-based firm is the world's fourth-largest smartphone seller and the world's largest Internet-of-Things platform for consumer devices.

Founded in 2010 by Mr Lei Jun, a computer science graduate from Wuhan University, the company is known in China for its smart devices and home appliances such as air and water purifiers, smart televisions and vacuum cleaners.

The firm is also one of China's national AI champions, companies that have been picked by the Chinese government to advance AI development – smart home devices in Xiaomi's case.

Internationally, Xiaomi's smart devices are helping it gain market share. It leads the smart TV sector in India, with 27 per cent of market share, according to Counterpoint Research.

The company has entered markets such as Russia, Chile and Japan, and is present in all 10 Asean countries.

Xiaomi has also gained a reputation worldwide for well-designed smartphones priced at a fraction of those from other popular brands.

Amidst the worsening economic outlook, these mid-range smartphones from Chinese manufacturers such as Xiaomi and Oppo are expected to gain greater market share, industry analysts say.

The firm listed on the Hong Kong stock exchange in 2018.

The Shenzhen-based company, which is listed on the Hong Kong stock exchange, focused initially on instant-messaging services but this has since expanded to other areas including e-payments and games.

Mr Ma's fortunes have also grown with the company. Worth US\$50 billion, he surpassed Alibaba founder Jack Ma to become China's richest man this year.

The company's most well-known product is smartphone app WeChat, which has over a billion users and is used for a myriad different functions in China, ranging from instant messaging to social networking and payments.

Along with TikTok, the app has become the latest target of the Trump administration.

According to Newzoo, Tencent is the world's biggest games publisher by revenue last year and collaborates with US firms like Activision Blizzard and Electronic Arts.

The company is also behind some of the most popular mobile games in the US, including PUBG Mobile and Call Of Duty: Mobile, and invests widely in American firms, including Uber, Reddit, Tesla and Snap (creator of Snapchat).

Chinese missile tests at sea a warning to US

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The tests come amid US sanctions on Chinese firms

IN A MUSCULAR WARNING TO THE UNITED STATES, China fired a series of missiles into the South China Sea, just as the Trump administration sanctioned dozens of Chinese companies linked to China's militarisation of the disputed waters.

Four medium-range ballistic missiles were apparently dropped into waters between Hainan island and the disputed Paracel Islands on Aug 26, as part of the Chinese military's ongoing drills, said media reports, citing sources.

The missile tests come at a time when Sino-US tensions are at their highest in decades, and on the back of heightened military exercises by the People's Liberation Army (PLA) that analysts say are unprecedented. They also coincide with this year's Rim of the Pacific Exercise, the largest international maritime exercise led by the US, involving 10 navies including Singapore's.

In the latest salvo by the US, its Commerce Department on Aug 26 placed visa and trade restrictions on 24 companies for helping the Chinese authorities reclaim and militarise outposts in the contested sea.

China's National Defence Ministry on Aug 27 did not confirm reports of the missile launches, but said it was conducting both sea and air exercises around the Paracel and Spratly islands as part of its annual training schedule.

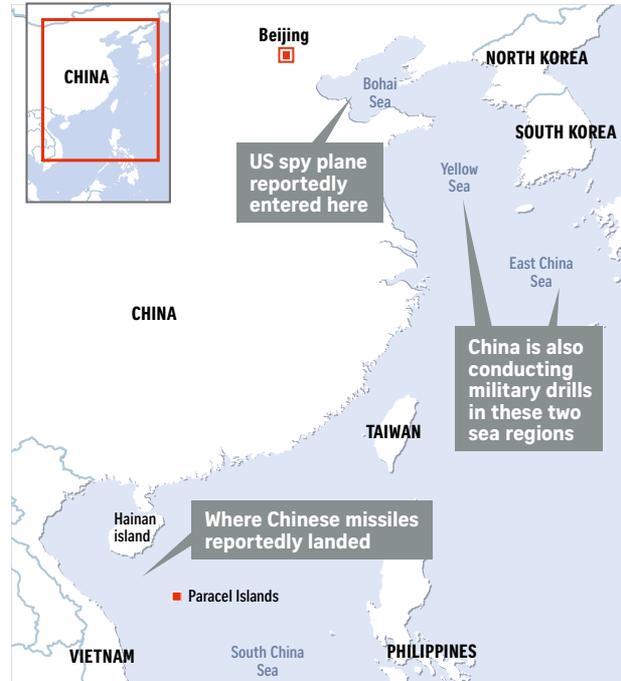
Its spokesman, Senior Colonel Wu Qian, told reporters at a regular briefing that its recent drills in the South China Sea and the Yellow Sea "are not targeted at any country".

The anti-ship ballistic missiles – with a range of between 1,800km and 4,000km – were launched a day after Beijing expressed anger over an apparent

A satellite image showing a Type 093 nuclear-powered attack Chinese submarine (centre) entering an underground base on Hainan Island on the South China Sea. PHOTO: AFP / 2020 PLANET LABS INC



Tensions at sea



STRAITS TIMES GRAPHICS

incursion by a US spy plane, which it said had entered a no-fly zone.

The Chinese Defence Ministry called the move by the US a "naked provocative action", saying it had "seriously disrupted China's normal exercises and training activities, seriously violating the China-US maritime and air safety code of conduct and related international practices, and easily leading to misunderstandings."

The US said its U2 reconnaissance plane operation did not break any rules.

In response to the missile testing, US Navy Vice-Admiral Scott Conn said: "As long as they're doing it in accordance with international law and norms, they have every right to do so."

Vietnam has protested against China's military drills around the Paracel Islands, which it claims, saying they violate its sovereignty. Japan has also expressed concern over the missile firing.

In July last year, China tested anti-ship missiles near the Spratly Islands, shortly after one of the US Navy's biggest warships, aircraft carrier USS Ronald Reagan, conducted joint exercises with Japan in the South China Sea.

Military analyst Alexander Neill, who runs a strategic advisory consultancy in Singapore, said: "There's a broad acknowledgement that these (the recent missile tests) are to demonstrate China's anti-carrier capability."

He said the missiles were dropped in a zone between the Paracel Islands and Hainan, where China's nuclear submarines are based.

This area would be a potential access point where China could launch a nuclear deterrent and where its adversaries could try to stop it.

It is also highly unusual for the PLA to hold near-simultaneous exercises across multiple seas - the South China Sea, East China Sea, Yellow Sea and Bohai Sea.

The move is a strong signal to the US that these surrounding waters are all within the PLA's coverage, said naval affairs expert Collin Koh, a research fellow at the Institute of Defence and Strategic Studies in Singapore.

With the intensification of military activity, the potential for unmanaged escalation increases, says Mr Neill.

"And while there are protocols in place for unplanned encounters, those work when everyone is professional. But if there's a mistake or error of judgment, then you run into trouble," he said.

A PLA fighter jet crashed into a US spy plane it was intercepting near Hainan in 2001, resulting in the death of its pilot. [S](#)

Escalation of US-China tensions part of Trump election campaign 'playbook'

IN A SIGN OF THE TIMES, MR CHEN GUANGCHENG, the controversial Chinese activist who escaped from China in 2012 with the help of American diplomats, spoke at the Republican National Convention on Aug 26, on a day when US-China relations slid yet another notch in what has been a dramatic deterioration.

"The CCP (Chinese Communist Party) is an enemy of humanity... threatening the well-being of the world," said the visually impaired activist, reading off a Braille pad.

"The US must use its values of freedom, democracy and rule of law to gather a coalition of other democracies to stop the CCP's aggression."

He added: "President Trump has led on this and we need other countries to join in this fight."

For weeks now, the China issue has become a key plank of President Donald Trump's re-election campaign - and the volume of the rhetoric and the moves against China have been escalating.

Earlier, the United States announced trade and visa restrictions on 24 companies for their efforts to help China "reclaim and militarise disputed outposts" in the contested South China Sea.

Among the firms on a list issued by the Department of Commerce are units of state-owned China Communications Construction Company, one of the largest builders of projects under China's Belt and Road Initiative.

A senior State Department official briefing journalists said: "This is a first in a lot of ways in terms of US sanctions on this kind of malign activity in the South China Sea."

Additionally, Secretary of State Mike Pompeo announced visa restrictions on Chinese nationals including "executives of state-owned enterprises responsible for Beijing's reclamation, construction or militarisation of disputed outposts and coercion of South-east Asian claimants"

Meanwhile, in the South China Sea itself, China launched four medium-range ballistic missiles on Aug 26, as the People's Liberation Army conducted a series of drills over several days across a wide maritime area.

The previous day, China's Defence Ministry complained that a US high-altitude U-2 reconnaissance plane had, without permission, entered a no-fly zone where live drills were taking place, demanding that the US cease such "provocations"

The phase one trade deal with China may be the "last substantive thread of the US-China relationship", wrote Mr Bill Bishop, China analyst and publisher of the Sinocism analytical newsletter on China. "The relative restraint that Beijing has shown towards US actions over the last several weeks is noteworthy."

"One theory I have heard is that Xi (Chinese President Xi Jinping) et al are trying to avoid what they may see as a Trump administration trap to provoke a response from Beijing that would make it even harder for a possible Biden administration to take a materially softer line towards the PRC (People's Republic of China)," Mr Bishop said.

Eurasia Group analysts said in an e-mail: "China's immediate response will be strident but measured. But China could still respond with retaliatory sanctions against US individuals in roughly comparable positions."

Dr Lu Xiang, director for research at the Chinese Institute of Hong Kong, an affiliate of the Chinese Academy of Social Sciences, said that from China's perspective, the escalation of tensions was part of the "playbook" of Mr Trump's election campaign.

Blaming China is useful to distract from the US administration's failure to manage the Covid-19 pandemic, he said in a podcast.

Dr Lu said: "The current situation... is a byproduct of the domestic politics of the US." [S](#)

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The Chinese national flag and the Hong Kong flag are seen hoisted on poles outside the Court of Final Appeal in front of the Bank of China (Hong Kong). PHOTO: AFP

East Asia Watch

Hardening of US stance on Hong Kong to hit financial institutions badly

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Hong Kong's Chief Executive Carrie Lam (centre) and Justice Secretary Teresa Cheng (left) are among those sanctioned by Washington for "undermining Hong Kong's autonomy".

PHOTO: AFP

Extensive reach of US financial system will complicate banking and other matters

THE CONSEQUENCES OF THE TOUGHER US STANCE towards Hong Kong, especially the imposition of sanctions on top officials in the territory as well as from the mainland, are extensive – with severe implications for financial institutions, both local and international, in the city.

This is because of the reach of the American financial system, which covers not only companies domiciled or incorporated in the United States but also any foreign office of a US-domiciled firm, a branch of a non-US bank in the country, as well as any US correspondent account.

Said Mr Nick Turner, a lawyer specialising in sanctions and anti-money laundering at Steptoe and Johnson in Hong Kong: "The (bank) customer might think they are sending money directly from Hong Kong to Singapore or Hong Kong to London but in fact, they might be clearing it through the US and the customer really has no control over that."

The banks do it this way as most of them do not keep a lot of US dollars on hand, so it is cheaper for them to process US dollar through New York and more manageable for the lenders involved.

Bloomberg reported that China's largest state-run banks operating in Hong Kong, including Bank of China and China Construction Bank, are taking tentative steps to comply with the sanctions as they seek to safeguard their access to crucial US dollar funding and overseas networks.

The report, citing those familiar with the matter, also said at least one bank has suspended the opening of new accounts for the 11 sanctioned officials.

Citigroup, among other lenders, has reportedly taken steps to suspend accounts and increase scrutiny of Hong Kong clients.

Hong Kong Chief Executive Carrie Lam and Mr Xia Baolong, head of the Hong Kong and Macau Affairs Office, were among those sanctioned by Washington for "undermining Hong Kong's autonomy" in pushing for a new national security law imposed by Beijing.



“When someone is put on the sanctions list and banks are no longer able to process the transactions through New York, that means the lenders will have a really hard time sending US dollar wire transfers to other countries because there are very few pathways they can take that don’t involve the US,” Mr Turner said.

Another way, though limited, is through Hong Kong’s Clearing House Automated Transfer System, or Chats, that clears the US dollar domestically and does not always involve American banks. There are similar platforms in China and many other countries.

Aside from banks, brokerages, payment processors like PayPal and even US online marketplaces like Amazon might also have to reject transactions involving those on the sanctions list.

“It’s not just the US financial system because a lot of financial institutions in the world have really strict sanctions policy... Some of them do it for risk management purposes so they just decline business from sanctioned people because it’s easier for them from a compliance perspective.

“Some of them have contractual provisions that say they won’t do business with sanctioned individuals so even though it might not be a US company they might have an internal policy against it,” said Mr Turner.

Secretary for Justice Teresa Cheng, who is among those sanctioned by Washington, is married to the chairman of Analogue Holdings, an investment company.

Her husband, Mr Otto Poon, said that Analogue had sold a 2 per cent stake in New York’s Transel

Elevator & Electric, so as to take its ownership below 50 per cent. He said the decision came after consulting US legal counsel and due to “changing Sino-US tension”.

Mr Sean King of US consultancy firm Park Strategies noted that an inalienable part of the US financial system is the greenback, which at the same time is the world’s reserve currency.

“Losing access to the US dollar and the US banking system greatly complicates any entity’s, or any person’s, ability to do business outside their own market,” he said.

Meanwhile, another front could emerge as Trump administration officials are urging the President to delist Chinese companies that trade on US exchanges and fail to meet American auditing requirements by January 2022.

Mainland firms now dominate Hong Kong’s initial public offering market, accounting for 48 per cent of syndicated lending last year, up from about 28.5 per cent in 2015, according to Mr Steve Vickers, a political and corporate risk consultancy specialist.

“Any return of Chinese businesses listed in the US to Hong Kong will only accelerate this shift, with benefits liable to accrue to those companies identified as politically reliable,” he said.

He added that risks from large-scale shifts in the political, legal and commercial environment will quicken Hong Kong’s integration into the Greater Bay Area, comprising Guangdong, Hong Kong and Macau. [ST](#)

“The (bank) customer might think they are sending money directly from Hong Kong to Singapore or Hong Kong to London but in fact, they might be clearing it through the US and the customer really has no control over that.”



NICK TURNER, lawyer specialising in sanctions and anti-money laundering at Steptoe and Johnson in Hong Kong

Behind the arrest of Jimmy Lai

US sanctions on top Hong Kong, China officials sped up arrest of Apple Daily founder Jimmy Lai.

AMERICAN SANCTIONS IMPOSED ON 11 TOP Hong Kong and mainland officials accelerated the arrest of the highly vocal anti-China advocate Jimmy Lai and six others under the national security law, political observers said.

Associate Professor Alfred Wu of the Lee Kuan Yew School of Public Policy said the arrests come as Hong Kong is caught up in the United States-China tussle.

“Why are they urgently arresting Jimmy Lai? Because he’s asking for sanctions on China,” he said, adding that the next probable candidate for arrest is human rights advocate Joshua Wong, who has been disqualified from running in the Legislative Council (Legco) election previously scheduled for Sept 6.

“You can see they wanted a number of people, including the now-disbanded Demosisto’s Nathan



Law, who fled to the Britain, and the basis for targeting them is collusion with the Americans.”

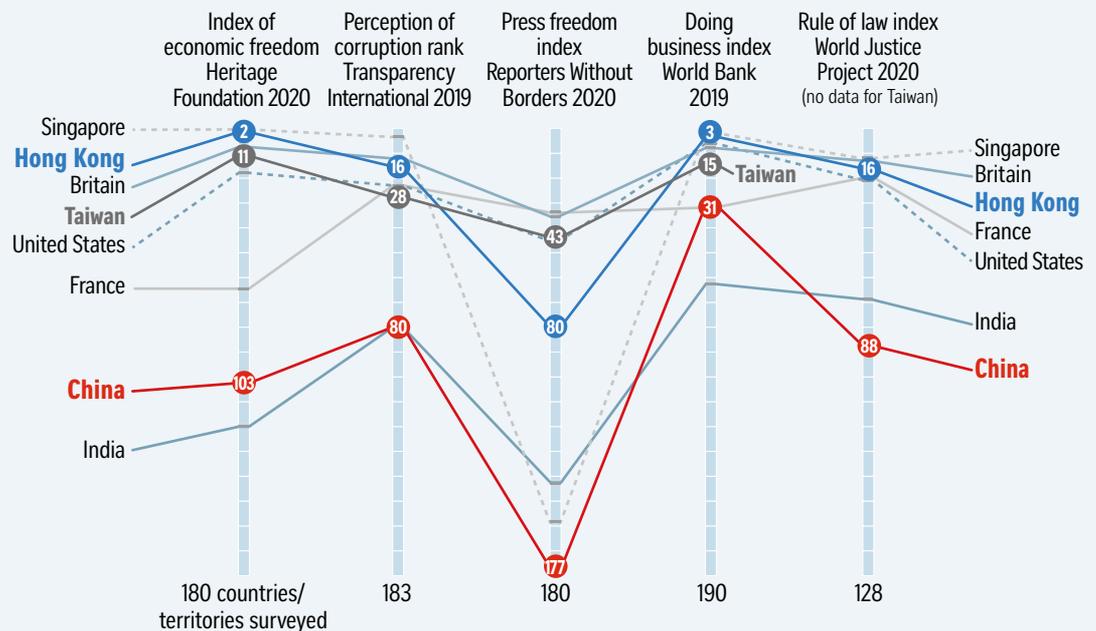
Hong Kong media tycoon Lai, 71, is the highest-profile person among the nine men arrested under the national security law that kicked in on June 30, sparking worldwide criticism, including from the US, Britain and Japan.

He was detained over suspected collusion with foreign forces in a highly publicised incident on Aug 10 when around 200 police officers searched the offices

Pro-democracy media mogul Jimmy Lai heading towards a waiting vehicle after being released on bail from the Mong Kok police station in the early morning in Hong Kong on Aug 12. PHOTO: AFP

How the world sees China and Hong Kong

Major international rankings on economic freedom, corruption, press freedom, doing business and the rule of law



Source: AFP STRAITS TIMES GRAPHICS

The arrests, which come on the back of deteriorating Chinese-US ties that has caught Hong Kong in between, raises questions as to whether others who are more moderate, such as Democratic Party founder Martin Lee and retired politician Mrs Anson Chan, could be next.



of his Apple Daily newspaper – one of the most critical anti-establishment voices in the city.

Mr Lai himself is an ardent critic of Beijing and met US Vice-President Mike Pence and Secretary of State Mike Pompeo in Washington in July last year to discuss the controversial and withdrawn extradition Bill and the city's situation.

Mr Wong, who has claimed trial for his role in last year's illegal assembly, has openly pressed the US to impose sanctions on Hong Kong and mainland officials. He also went to the US to push for passage of the Hong Kong Human Rights and Democracy Act, which was eventually passed.

The police said that at least nine local males aged between 23 and 72 had been arrested on suspicion of collusion with a foreign country or external elements to endanger national security, conspiracy to defraud and other offences.

Mr Lau Siu Kai, vice-president of the Chinese Association of Hong Kong and Macau Studies, believes the arrests of Mr Lai and six others were carried out "in order to contain and deter local and foreign hostile anti-China forces, as well as deter US individuals and organisations in Hong Kong from conducting interference activities."

The US sanctions have accelerated Beijing's move to take these pro-US hostile forces in Hong Kong to task, he added.

Washington imposed sanctions on Chief Executive Carrie Lam and 10 other top Hong Kong and mainland officials, including Hong Kong police commissioner Chris Tang, his predecessor Stephen Lo, director of

the new Office for Safeguarding National Security Zhong Yanxiong, as well as head of the Hong Kong and Macau Affairs Office Xia Baolong and his deputy Zhang Xiaoming, for their role in rolling out the security law.

The arrests, which come on the back of deteriorating Chinese-US ties that has caught Hong Kong in between, raises questions as to whether others who are more moderate, such as Democratic Party founder Martin Lee and retired politician Mrs Anson Chan, could be next.

China's state media previously labelled the pair, along with Mr Lai and former lawmaker Albert Ho, as the "new Gang of Four" that "colludes" with Western forces to instigate unrest and destroy the city.

The Gang of Four is a reference to allies of late chairman Mao Zedong who were eventually convicted in show trials for "counter-revolutionary crimes"

Mrs Chan said, days before the national security law kicked in, that she would step back from civic and political engagement to lead a quieter life.

Associate Professor Sing Ming of the Hong Kong University of Science and Technology said: "The government emphasised again and again that the national security law would not have any retroactive effect, so were Anson Chan to be arrested, understanding the charge would be important."

Despite the promise of not having any retroactive effect, with Beijing and the pro-Beijing camp in Hong Kong singling out individuals, Prof Sing said such acts "would cast an even bigger shadow in the minds of Hong Kong and the international community about Hong Kong's future freedom of speech, freedom of press and economic prosperity." **ST**



Special Feature

Tracking the multibillion dollar race for vaccines

Over 30 Covid-19 vaccines in global clinical trials

THE SPEEDY PROGRESS OF THE FRONT RUNNERS in the global vaccine race shows that there is a chance for the Covid-19 pandemic to end within two years, as World Health Organisation chief Tedros Adhanom Ghebreyesus said.

However, the haste to come up with a vaccine in the global race may endanger lives if it has not undergone enough testing to make sure it is safe and effective.

And in a crisis where the whole world is affected, a “me first” approach or vaccine nationalism will not help, no matter how tempting it may be, experts have warned.

It has been only about eight months since the Covid-19 outbreak began, but data from the World Health Organisation shows that 31 vaccines are in

clinical trials, with another 142 candidate vaccines in pre-clinical evaluation.

The number could be higher.

Professor Ooi Eng Eong, deputy director of the Duke-NUS Medical School’s emerging infectious diseases programme, said there are already more than 40 vaccine candidates in clinical trials.

The speed is mind-blowing, considering vaccine development is a complex, costly and mammoth task that can take at least five to 10 years.

Among the front runners in the vaccine race are United States-based Moderna Therapeutics and the National Institutes of Health with an mRNA vaccine.

There is also British-Swedish pharmaceutical giant AstraZeneca and the University of Oxford with a vaccine that uses a chimpanzee adenovirus vaccine vector. Adenoviruses are viruses that usually cause the common cold.

Three other candidate vaccines from China and using inactivated vaccines are in phase three trials.

More than 150 vaccines are being developed and tested around the world to stop the coronavirus pandemic.
PHOTO: REUTERS

JOYCE TEO

Environment
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The speedy progress of the front runners in the global vaccine race shows that there is a chance for the Covid-19 pandemic to end within two years, as World Health Organisation chief Tedros Adhanom Ghebreyesus said.

PHOTO: AFP

This is the stage when large-scale testing is done to see if the vaccine is safe and effective in tens of thousands of people.

American pharma firm Pfizer is also working on a vaccine with German partner BioNTech, and said it has enrolled more than 11,000 volunteers in its trial.

The type of vaccines may vary among developers but they all trick the body into thinking there is an infection so that it will develop antibodies and immune responses to it.

Singapore's Duke-NUS Medical School is partnering US pharmaceutical company Arcturus Therapeutics to develop an mRNA vaccine. Clinical trials started in the Republic in August.

Prof Ooi said in late June that the soonest the vaccine can be available is about a year later.

"This very optimistic timeline remains unchanged in my mind," he said. "We are all working as fast but also as thoroughly as we can to test the safety and efficacy of this vaccine candidate."

Recently, Dr Anthony Fauci, the well-regarded head of the National Institute of Allergy and Infectious Diseases in the US, warned against rushing out an untested vaccine. He said one potential danger is that it would be hard for the other vaccines to enrol people in their trials.

Professor Teo Yik Ying, dean of the National University of Singapore's Saw Swee Hock School of Public Health, said there is the risk of side effects, including those that may potentially be life-threatening, or actually fail to protect the people against future Covid-19 infections.

"While these may appear to impact only the countries that distribute the unproven vaccine, the worry is one of global vaccine hesitancy and vaccine confidence."

Prof Teo said it is inevitable that the world will report on the emergence of side effects or

The race also does not end after a vaccine has been proved to be safe and effective in a phase three trial, as there are many hurdles between that and making it available at a clinic.

”

safety lapses as a result of taking these unproven vaccines, and this can result in a growing spectre in a segment of the population against any future Covid-19 vaccines.

To be first is not everything. For one thing, experts have said the first vaccine may not be the best, and more effective vaccines may be developed later on.

With so many developers in the race, it is likely that there will be multiple vaccines in the market.

The race also does not end after a vaccine has been proved to be safe and effective in a phase three trial, as there are many hurdles between that and making it available at a clinic. It takes time to scale up production to manufacture billions of doses, and that also depends on the availability of billions of glass vials. Approvals will also need to be secured, and in a timely manner.

Most of the vaccines will be made in the US and Europe. There is the logistical challenge of delivering the vaccines around the world, as most vaccines need to be kept stable at low temperatures.

Clearly, there will not be enough supplies to go around initially, so it is not as if people can make a mad dash for a jab. Experts say decisions will have to be made on which groups will be prioritised.

And then, the vaccines need to be administered.

Prof Teo believes the world is aware that a global distribution of vaccines will realistically happen only next year.

"Even if there is an available supply of safe and effective vaccine for distribution at the end of 2020, it will be to selected groups of people, perhaps even in a small number of countries," said Prof Teo.

"We do not think that there will be the necessary five billion doses of vaccines available for widespread distribution worldwide by the end of this year."

Right now, although no Covid-19 vaccines have been proved to be safe and effective, some countries are already vying to secure supplies.

Wealthy countries have struck deals to buy more than two billion doses of vaccine.

For now, as the world draws closer to the possibility of having a successful vaccine, the rush to get countries to cooperate becomes more urgent. Vaccine experts say it is only with global cooperation that the world can improve the chances of developing a vaccine and ensuring it is distributed equitably. [SI](#)

Testing of vaccines – where are we now?

FRONT RUNNERS IN VACCINE RACE

Just eight months into the Covid-19 pandemic, two vaccines have raced through approvals and are already in use, although questions remain on whether they are safe and effective. Several other vaccine candidates, including four in China, are in the final phases of testing. Joyce Teo and Clara Chong look at those at the front of the pack.

IN PHASE 3 TRIALS

Who	What	Current developments
Moderna, with the National Institutes of Health in the United States	<ul style="list-style-type: none"> • Messenger RNA-based (mRNA) vaccine. Viral fragments are injected into the volunteer. The hope is that the cells would take in the genetic snippets, make viral proteins, and trigger an immune response. • It is different from most traditional methods of vaccine development which introduce the body to either an inactivated or weakened form of a virus or to one of its viral proteins. • Moderna aims to test it on 30,000 people and said last week that it has enrolled 13,194 participants. 	The company has entered into a supply agreement with the United States government to provide 100 million doses of its potential vaccine for around US\$1.5 billion (\$2 billion).
British-Swedish pharmaceutical giant AstraZeneca and the University of Oxford in Britain	<ul style="list-style-type: none"> • A chimpanzee adenovirus-based vector. • This vaccine is made from a weakened version of a common cold virus (adenovirus) that infects chimpanzees. It has been genetically modified to express the coronavirus spike protein to stimulate an immune response when given to people. 	AstraZeneca has reached an agreement with Europe's Inclusive Vaccines Alliance to supply up to 400 million doses, with deliveries starting by the end of this year.
American pharmaceutical company Pfizer in collaboration with German firm BioNTech	mRNA vaccine	<ul style="list-style-type: none"> • The US government placed an initial order of 100 million doses for US\$1.95 billion and can acquire up to 500 million additional doses. • Pfizer and BioNTech remain on track to seek regulatory review as early as in October this year, and manufacture up to 100 million doses globally by the end of this year and potentially more than 1.3 billion doses by the end of next year.

Who	What	Current developments
Sinovac, a biotech firm in Beijing, China	<ul style="list-style-type: none"> • Inactivated or killed vaccine, named CoronaVac. • It works by introducing the body to either an inactivated or killed form of a virus or to one of its viral proteins. The immune system responds by producing antibodies that recognise particular proteins of the virus. Those antibodies could fight future infections as long as the virus does not evolve. 	<ul style="list-style-type: none"> • It started phase three trials involving 9,000 volunteers in Brazil in July. • Sinovac is aiming to triple its current capacity to produce 300 million doses per year, but at least two doses will be required to immunise one person.
China National Biotech Group's (CNBG) Wuhan Institute of Biological Products. CNBG is a subsidiary of state-owned pharmaceutical giant China National Pharmaceutical Group (Sinopharm).	Inactivated vaccine	CNBG is aiming to produce 200 million doses of inactivated Covid-19 vaccines a year, according to state news agency Xinhua.
China National Biotech Group's (CNBG) Beijing Institute of Biological Products.	Inactivated vaccine	

APPROVED VACCINES		
Who	What	When
CanSino Biologics in Tianjin, China, together with the country's Academy of Military Medical Sciences.	Adenovirus-vectored vaccine	<ul style="list-style-type: none"> • It was approved on June 25 by the Chinese military for limited use as a specially needed drug for a year. • A phase three trial will be held in Saudi Arabia.
Gameleya Research Institute of Epidemiology and Microbiology in Moscow, Russia	Vaccine using two different types of adenoviral vectors	<ul style="list-style-type: none"> • Known as Sputnik V, the vaccine was approved by the Russian Ministry of Health on Aug 11 for widespread use, after it was given to 76 volunteers in early-stage trials. • The fast-track vaccine has drawn flak from scientists, who worry the vaccine may not be safe or effective as it has not been tested on large numbers of people. Russia has said that it will start testing the vaccine in 40,000 people this week.

SOURCES: ASTRAZENECA, PFIZER, NATIONAL GEOGRAPHIC, XINHUA, TIME, SPUTNIKVACCINE, WHO, UNIVERSITY OF OXFORD STRAITS TIMES GRAPHICS

A specialist taking part in the production of "Gam-COVID-Vac" vaccine against the coronavirus disease, developed by the Gamaleya National Research Institute of Epidemiology and Microbiology and the Russian Direct Investment Fund (RDIF), at Binnopharm pharmaceutical company in Zelenograd near Moscow, Russia, on Aug 7. PHOTO: REUTERS/ RUSSIAN DIRECT INVESTMENT FUND



Russia's 'Sputnik V' Covid-19 vaccine to be tested on 40,000 people

RUSSIA SAID ON AUG 20 IT WOULD START clinical trials of its controversial coronavirus vaccine, involving tens of thousands of people.

President Vladimir Putin said earlier that Russia had become the first country to register a coronavirus vaccine, though the announcement was met with caution from scientists and the World Health Organisation who said it still needed a rigorous safety review.

Russia's sovereign wealth fund, which finances the vaccine project, said in a statement that tests

of the "immunogenicity and safety of the Sputnik V vaccine" would begin the following week involving more than 40,000 people.

It said the tests were the equivalent of the Phase 3 trials that other vaccines are undergoing.

Kirill Dmitriyev, the head of the Russian Direct Investment Fund, told an online briefing that the vaccination of at-risk groups, including medical personnel, would also start on a voluntary basis.

More than 20 countries have made requests to purchase over a billion doses of the vaccine, he said, adding that Russia had agreements with several countries to produce it.

He said mass vaccinations in Russia are expected to start in October and the first foreign deliveries in November or December.

The vaccine - named after the pioneering 1950s Soviet satellite - was announced with much fanfare in Russia but drew warnings from Western scientists that Moscow may be moving too quickly.

Mr Dmitriyev said scepticism was starting to wane. "We have seen a significant change in tone from the WHO. At first, yes, they did not have enough information on the Russian vaccine, now official information has been sent and they will evaluate it," he said.

But he added: "We do not see any obstacle for individual regulators to approve the Russian vaccine without the approval of the WHO."

Russia had registered more than 942,000 confirmed coronavirus infections as of Thursday, the fourth-highest number after the United States, Brazil and India, and more than 16,000 deaths. **SI**

- AFP

An analytical chemist at AstraZeneca's headquarters in Sydney, Australia, on Aug 19. PHOTO: EPA-EFE





Environment

Record floods pose new challenge for China

CHINA STRUGGLED LAST MONTH WITH A SURGE of crippling floods that killed hundreds of people and displaced millions across the central and south-western parts of the country.

Towards the end of August, flooding on the Yangtze River peaked again in Sichuan province and the sprawling metropolis of Chongqing, while the Three Gorges Dam, 450km downstream, reached its highest level since it began holding water in 2003.

This year's flooding has unfolded not as a single natural disaster, with an enormous loss of life and property, but rather as a slow, merciless series of smaller ones, whose combined toll has steadily mounted even as official reports have focused on the government's relief efforts.

The natural disaster left more than 4,000 people dead and 14 million homeless. It also tested the strength of the Three Gorges Dam, which spans the Yangtze River.

Public appearances in flood-stricken areas by Chinese President Xi Jinping and China's premier, Li Keqiang, underscored the severity of the crisis, which delivered another blow to an economy still struggling to rebound from the pandemic. Experts estimate that the floods caused nearly 180 billion yuan (\$35.6 billion) in economic damages by mid-August.

Heavy rains are normal in southern China during the summer, but this year's fell harder and longer than usual, inundating crops and entire communities over the past two months.

Water being released from the Three Gorges Dam, a gigantic hydropower project on the Yangtze river, in Yichang, on Aug 23. PHOTO: AFP



A flooded area in China's south-western Chongqing, which has been hit by its worst flood in 40 years. While 250,000 Chongqing residents have been relocated to safe places, more than 8,660 sq km of arable land was flooded, reported China Daily. PHOTO: AFP

Monsoon rains wreak havoc across Asia

As the south-west monsoon bears down on Asia, several countries were not spared by the rains, disrupting daily life. Here are some images from around the region.



The flooding also revived a debate over the Three Gorges Dam, a massive project begun in 1994 that forced the relocation of more than one million people, inundated entire communities and badly damaged the surrounding environment.

With 75,000 cubic metres per second of water flowing in from the Yangtze River on Aug 20, the dam's reservoir depths reached 165.6m, breaking a record of 61 million litres set in July.

Although officials said the dam was in no danger, the water level has approached maximum capacity.

China has historically relied on dams, levees and reservoirs to control and divert the flow of water.

From June to early August, around 30 billion cubic metres of floodwater were intercepted by dams and reservoirs in Asia's longest river, the Yangtze, mitigating flooding downstream in areas including Shanghai, China's emergency management ministry said.

But the country's vast infrastructure has been unable to contain all the flooding, with authorities in the eastern city of Chuizhou, Anhui province, forced to blow up two dams last month to release water from the rising Chuhe river over cropland, state broadcaster CCTV reported. And fears re-emerge periodically over the structural integrity of the Three Gorges Dam. Some experts say that given the limited flood control capacity of the Dam, it could make the problem worse in the long term. **SI**

– New York Times, Reuters, Agence France-Presse



An aerial view of a 1,000-year-old Giant Buddha sculpture surrounded by flood waters after heavy rain in the city of Leshan, in China's south-western Sichuan province. Staff, police and volunteers used sandbags to try to protect the 71-metre Leshan Giant Buddha, a Unesco World Heritage site in south-western Sichuan province, as muddy flood water rose over its toes for the first time since 1949, state broadcaster CCTV reported. PHOTO: AFP



Left: Rescue workers searching for missing people at a landslide site caused by heavy rain in Tsunagi, Kumamoto prefecture on July 10. PHOTO: AFP

Above: A flooded street during a heavy downpour in central Bangkok on July 24. PHOTO: AFP

People walking across an elevated water pipeline over a flooded sewage canal after a monsoon rain in New Delhi on July 22.

PHOTO: AFP



Commuters making their way through a water-logged street after a heavy downpour in Dhaka, Bangladesh, on July 21.

PHOTO: AFP



Flood inundating a parking lot of an apartment complex after torrential rains in Daejeon, South Korea on July 30.

PHOTO: EPA-EFE





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Warren Fernandez

Editor-in-Chief, The Straits Times & SPH's English, Malay and Tamil Media (EMTM) Group & President, World Editors Forum

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Country Report

THAILAND

New disaffected generation poses challenge to Thai govt

Students and pro-democracy activists lifting their mobile phones with flashlights on during a rally at Chulalongkorn University in Bangkok, Thailand, on Aug 14.
PHOTO: EPA-EFE

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Protesters brush off threats of arrest to push for monarchy reform

SOME “RED SHIRT” SUPPORTERS TURNED UP at Thailand’s biggest anti-government protest in mid-August, in years but it was clear they were just a sideshow.

Rappers pranced on stage while others projected trending hashtags onto the concrete columns of Bangkok’s Democracy Monument. Protest leaders marched to a police station after the rally, daring the authorities to arrest them.

This new disaffected generation is posing a challenge to which Thailand’s ruling establishment appears to have few ready answers.

It is not a major threat, said analysts, given that Prime Minister Prayut Chan-o-cha and his military-backed coalition government control the levers of power granted by an almost watertight Constitution. Yet it is a thorny one because protesters have brushed off intimidation to continue calling for monarchy reform, among other demands.

Mr Arnon Nampa, the lawyer who first shook the country on Aug 3 when he openly requested a review of the monarchy’s role – and was subsequently arrested and then released on bail – returned on Aug 16 night to the erstwhile untouchable subject.

To cheers from the crowd of well over 10,000 people, he repeated his call for a monarchy above politics and in line with the Constitution.

“We ask with sincerity for the monarchy to share this dream,” he said in a speech that was live-streamed on Facebook.

Faced with a lese majeste law that criminalises each count of defamation or insult of the monarchy with up to 15 years in jail, Thais tend to elide the subject from polite conversation.

Thailand-based journalists self-censor to comply with the law. On the streets of inner Bangkok, the mostly young protesters showed little such restraint. This has raised the ire of royalists, who have vowed to counter such disrespect every step of the way.

“They just want to wipe (the monarchy) out,” Mr Sumat Trakulwunoo, leader of Coordination Centre of Vocational Students for the Protection of National Institutions, told The Straits Times. “We have come so far because the monarchy has protected our land for us... Why import Western ideas and culture and abandon our tradition and culture? It is just not right.”

Fears of confrontation between student protesters and royalists have not been realised so far.

Several dozen royalists led by Mr Sumat, some wearing identical masks and shirts supporting the monarchy, gathered near the Democracy Monument hours before the student-led protests got into full swing.

They later dispersed peacefully, but not without alleging through loudspeakers that the young protesters were naive and being manipulated by a third party.

Ms Sudkaneung B., a graduate student who also teaches high-school students, scoffed at the idea, saying the younger generation is more exposed to global trends and power dynamics than some in the older generation, thanks to social media.

She said the protests have inadvertently started difficult conversations. “The other day, my aunt

suddenly talked about the monarchy. She asked me what this generation was thinking about,” she told The Straits Times.

Dr Titipol Phakdeewanich, the dean of Ubon Ratchathani University’s political science faculty, thinks the chances of a violent confrontation over the monarchy issue are low.

“Everyone knows if there is such a confrontation, it will damage the establishment more than the students,” he said. Protesters, while gaining traction, will find it difficult to mobilise massive numbers onto the streets simply because that needs money, he added.

Meanwhile, to elicit wider support, protest leaders who earlier organised protests under the name “Free Youth” are now mobilising under the “Free People” movement. They shared the stage with activists calling for abortion to be decriminalised, high-school students demanding education reform, as well as those demanding justice for locals in the Malay-Muslim dominated southern border provinces, which are heavily militarised.

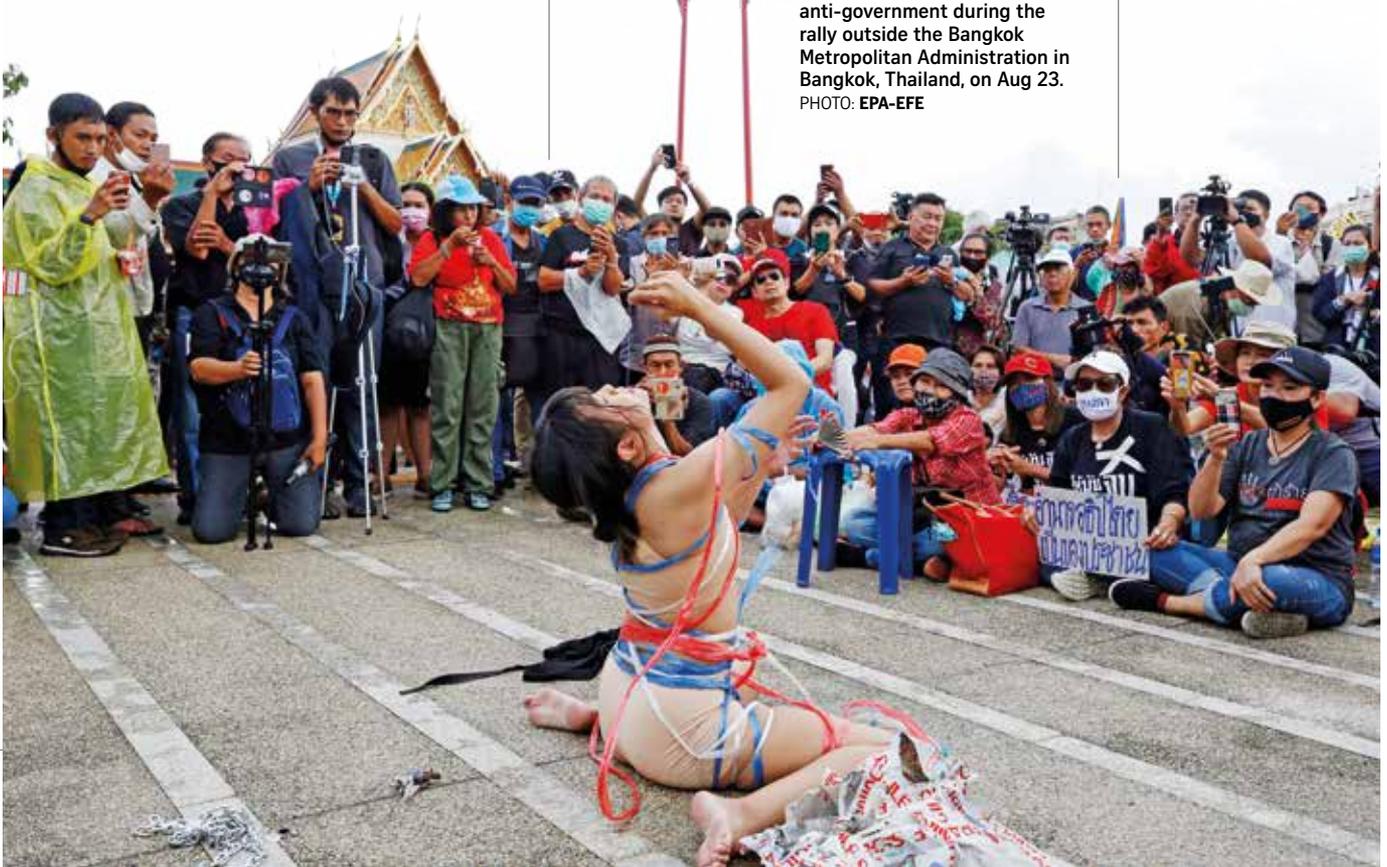
Students from high schools in Bangkok as well as Songkhla, Ratchaburi and Udon Thani provinces held their arms up in three-finger salutes during their morning assemblies as a sign of support for the ongoing protests. Social media was flooded with videos of harried school administrators trying to stop the flash mobs.

Students who said they are increasingly under surveillance warned that further intimidation will push them onto the streets. **ST**

It is not a major threat, said analysts, given that Prime Minister Prayut Chan-ocha and his military-backed coalition government control the levers of power granted by an almost watertight Constitution. Yet it is a thorny one because protesters have brushed off intimidation to continue calling for monarchy reform, among other demands.

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A Thai student pro-democracy activist showcasing a performance art piece for anti-government during the rally outside the Bangkok Metropolitan Administration in Bangkok, Thailand, on Aug 23.
PHOTO: EPA-EFE





SURUHANJAYA PILIHAN RAYA MALAYSIA

PUSAT PENJUMLAHAN RASMI UNDI

PILIHAN RAYA KECIL N.58 SIRM



Country Report

Barisan Nasional's Mohd Zaidi Aziz (centre) retained the Slim state seat with an enhanced majority of 10,945 votes in a by-election on Aug 29.

PHOTO: BERNAMA

MALAYSIA

Malaysia's opposition suffers huge setback with loss of non-Malay vote in Perak by-election

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DEFEAT FOR FORMER PREMIER MAHATHIR Mohamad's new party at the Slim by-election on Aug 29 was expected, but of great concern to the opposition will be the evaporation of previously fervent non-Malay support.

This was Umno's third straight by-election win since the Mahathir-led Pakatan Harapan (PH) was toppled in February, but significantly the first where it gained the support of voters who are not Bumiputeras – a term used to jointly refer to the Malay Muslim majority and indigenous tribes.

Over 90 per cent of ethnic Chinese as well as three-quarters of Indians were estimated to have backed PH in 2018, bumping the nascent alliance to a shock win – despite garnering less than a third of Malay voters – that ended Umno's six-decade rule.

But the vote in the Perak assembly ward –

inconsequential to the Perikatan Nasional (PN) state government which now has an 11-seat majority – saw Umno sweep all 13 polling districts, turning around six non-Malay majority districts it lost two years ago.

Then, Umno won the 22,749-strong constituency by taking 45 per cent of ballots cast, while a third of the Slim state constituency went with PH.

This time, Umno swallowed an 85 per cent share with Tun Dr Mahathir's newly formed Parti Pejuang Tanah Air barely taking 14 per cent.

While Malays make up three-quarters of the Slim electorate, both Indian and Chinese-majority districts backed Umno despite it being the largest member of the ruling PN pact that is dominated by Malay parties including Parti Islam SeMalaysia (PAS) and Prime Minister Muhyiddin Yassin's Parti Pribumi Bersatu Malaysia.

Umno's Mohd Zaidi Aziz bagged over two-thirds of Ladang Sungkai, a district where 84 per cent of voters are Indian. In 2018, when Bersatu was still led by Dr Mahathir and a member of PH, it garnered over 70 per cent support there.

Over in Sungai Slim Utara where six out of 10 voters are Chinese, Umno took 61 per cent of ballots cast, compared with just 18 per cent at the last general election.

Analysts and PH leaders believe that Pejuang was hampered by the prevailing sentiment that chairman Mahathir neglected non-Bumiputeras while in power, as well as his refusal to accept Parti Keadilan Rakyat (PKR) chief Anwar Ibrahim as the opposition's prime ministerial candidate.

"Pejuang cannot take the 2018 non-Malay support for granted as Mahathir was then seen as crucial to a regime change. But non-Malays soon found there was a hefty price to pay. Many didn't turn out to vote in Slim or pragmatically backed PN in hopes of infrastructure spending such as in flood mitigation," Singapore Institute of International Affairs' senior fellow Oh Ei Sun told The Straits Times.

Dr Mahathir and a group of loyalists who refused to follow Tan Sri Muhyiddin and the rest of Bersatu in defecting from PH were left partyless after their memberships were voided in May.

Their Malay-only Pejuang party remains outside of the multiracial PH, a decision ostensibly made to appeal to Malay voters whose distrust of PH has grown since 2018.

The 95-year-old's continued disagreement with Datuk Seri Anwar's supporters over whether the latter should be the pick for the premiership has split the opposition, with PKR's PH allies – the Democratic Action Party and Parti Amanah Negara – also taking the former premier's side.

For PKR, this schism is also being reflected among PH's grassroots supporters who have become wary of Dr Mahathir.

"The Pejuang candidate suffered from the perception that Mahathir is not willing to compromise with PH. For us to win the next general election, Pejuang will need PH support and vice versa," PKR vice-president Chang Lih Kang told ST.

The Tanjong Malim MP – the Slim state seat falls within his larger parliamentary constituency – was among several PH leaders who went on the stump for Pejuang's Amir Khusyairi Tanusi but to little avail.

However, the losing candidate himself was bullish, as Pejuang is only weeks-old.

"I believe I am a growing baby tree. This is just the start," said the 38-year-old lawyer. **ST**

Muhyiddin calls off launch of Perikatan Nasional alliance in Sabah

PRIME MINISTER MUHYIDDIN YASSIN CALLED off a highly anticipated launch of his Perikatan Nasional (PN) in Sabah, after recently experiencing several setbacks to formalising Malaysia's newest political alliance.

In addition to the Malaysian Indian Congress' (MIC) sudden pullout earlier, the failure to sign up several Sabah-based parties resulted in the postponement of the launch, The Straits Times has learnt.

The Premier was visiting Sabah ahead of polls on Sept 26 to elect a new government for Malaysia's easternmost state.

Tan Sri Muhyiddin's Parti Pribumi Bersatu Malaysia wants allies in Sabah to contest under a new PN logo that he unveiled at a meeting with party leaders in the state, but negotiations over the campaign which begins a fortnight earlier had not progressed quickly enough.

Although the Muhyiddin administration is called PN, it is an unofficial pact made up of the Umno-led Barisan Nasional (BN), which was defeated at the 2018 General Election, the Gabungan Parti Sarawak (GPS), which controls Malaysia's largest state, as well as Parti Islam SeMalaysia (PAS) and several independent parties in Sabah.

Parties that had officially signed up to PN include

Parti Solidariti Tanah Airku Rakyat Sabah, as well as the Islamist PAS and MIC, although the latter backtracked saying it had done so believing the rest of BN would do the same.

The once dominant Umno prefers to contest under its decades-old BN flag in a tussle for leverage ever since Mr Muhyiddin was sworn in on March 1.

That was after most of his Bersatu, as well as supporters of former Parti Keadilan Rakyat deputy president Azmin Ali, defected from the then Pakatan Harapan government.

"I think our top leaders don't have a clue how to move forward. Too complicated," said a ruling coalition official, who added that the different interests that need to be resolved within PN may cause political stability to be elusive even after snap polls.

Umno and PAS have called for fresh elections. Mr Muhyiddin has also told Bersatu grassroots that he wants to gain a personal and stronger mandate despite the current parliamentary term ending only in late 2023, having fought hard to keep hold of his razor-thin majority of the 222-strong legislature. **ST**

– Shannon Teoh



Malaysian Prime Minister Muhyiddin Yassin (centre) with members of the Bajau ethnic community in Sabah, which he was visiting ahead of polls on Sept 26 to elect a new government for the state. PHOTO: BERNAMA



Country Report

Supporters of India's main opposition Congress party hold placards as they gather outside party headquarters on Aug 24 to demand to elect their party's president from one of the members of the Nehru-Gandhi family after local media reported the party's interim president Sonia Gandhi would offer to resign. PHOTO: REUTERS

India's opposition Congress in public crisis over leadership

Senior party members write letter calling for a more 'visible' leader, while others rally around Gandhi family

INDIA'S MAIN OPPOSITION PARTY CONGRESS was thrown into turmoil as a leadership crisis spilled out into the open, in the latest setback for the party which is fighting an uphill battle for political survival and relevance.

A marathon meeting of the Congress Working Committee (CWC), the party's top decision-making body, was held on Aug 24 after a letter from 23 party leaders sought internal changes including a "full-time and visible" leadership.

Congress has seen a leadership vacuum since Mr Rahul Gandhi resigned as president last year to take moral responsibility for the party's loss in the general election.

His mother Sonia Gandhi, who became interim president, is known to be in poor health and he has

resisted calls over the past year to resume charge.

The meeting appeared to have put a lid on the crisis of leadership for now, with most Congress leaders rallying around the Gandhi family and expressing faith in their leadership. A CWC statement said "no one can be permitted to weaken the party".

The letter has been interpreted as a criticism of the Gandhi-Nehru family that has dominated Congress since India's independence in 1947 and given the country three prime ministers, even as its writers maintained it was to help revive the party.

Those who penned the letter included heavyweights such as Mr Ghulam Nabi Azad, Mr Shashi Tharoor and Mr Kapil Sibal, who found themselves under attack from colleagues at the meeting.

Mr Gandhi criticised the timing of the letter, even as his mother, who had wanted to quit because of it, was persuaded during the meeting to continue for now.

He said it was unfortunate the letter came at a time when his mother was ailing and the party had just recovered from a crisis in Rajasthan.

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He is understood to have said that Prime Minister Narendra Modi's Bharatiya Janata Party (BJP) would benefit from the current crisis.

Mrs Gandhi said in concluding remarks at the meeting that the party needed to be united and she did not hold any "ill will against anyone."

The trouble is not new to Congress, which has been struggling politically since 2014 when Prime Minister Modi swept to power on a landslide win and then returned last year with an even bigger mandate.

Congress won just 44 of 542 seats in the Lower House of Parliament last year, in contrast to the 303 seats won by the BJP.

Although Mr Gandhi resigned as Congress president after the loss, he has continued to be the face of the party and makes decisions.

Still, this style of functioning is seen to have rubbed some senior party leaders the wrong way amid concerns that Mr Gandhi resisted taking them into his confidence.

Analysts said the current crisis would only strengthen the perception that the 135-year-old party remained incapable of playing the crucial role of a strong opposition.

Professor Sanjay Kumar, director of the Centre for the Study of Developing Societies, said: "Congress is already a ship which is sinking. Whatever is coming out from these meetings, it gives an indication to common people that the party, which should be working to win the confidence of the people, is not able to do so. It (the controversy) is only doing harm to the party."

Political commentator and columnist Neerja Chowdhury called it a "missed opportunity" for the party.

"You see from the way the whole thing has been handled... everybody has come to the rescue of the Gandhis and criticised those who wrote the letter. The result is that the Gandhis became the focal point of the exercise and not the issues raised by the 23 people about what needs to change and the need for a full-time president to end the drift. All that has been put on the back-burner."

The party has seen a number of crises in the past year. In March, it suffered a political setback following the resignation of Mr Jyotiraditya Scindia, who toppled the Congress government in Madhya Pradesh and helped the BJP to come back to power.

In July, Congress staved off a political crisis in Rajasthan after state leader Sachin Pilot and a handful of Members of the Legislative Assembly revolted. But he was persuaded to return to the party fold.

Still, the criticism against those who wrote the letter is seen as a sign that a section of the party is not ready to give up on the dynasty.

Bengaluru-based political analyst Sandeep Shastri said: "I don't think the non-family leadership is ready to bite the bullet, partly because of the cabal around the (Gandhi) leadership. This cabal consists of leaders who haven't won direct elections for some time. They have no mass base of their own and if the First Family doesn't have its place, this cabal would lose its importance." 



Sonia Gandhi, who became interim president, is known to be in poor health.
PHOTO: INTERNET

Return of the Rajapaksas

SRI LANKA PRESIDENT GOTABAYA RAJAPAKSA appointed five members of his own family to Cabinet and ministerial roles on Aug 13 following his resounding parliamentary election win in early August.

Mr Gotabaya and his older brother Mahinda Rajapaksa won an overwhelming majority in the Aug 6 poll, giving the family the power to enact sweeping changes to the island nation's constitution.

The two-thirds majority for his Sri Lanka Podujana Peramuna party and its allies will allow him to restore full executive powers to the presidency, a move analysts say could push the country towards authoritarianism.

In a ceremony, Mr Gotabaya appointed Mr Mahinda Rajapaksa – himself a former president – as minister of finance, urban development and housing, and religious and cultural affairs.

Mr Gotabaya's elder brother Chamal Rajapaksa will serve as minister of irrigation, and a state minister for defence, while Mr Mahinda's son Namal Rajapaksa is the minister for youth and sports. Mr Chamal's son Shashendra Rajapaksa will also serve as a state minister.  – Reuters



Sri Lanka's President Gotabaya Rajapaksa and Prime Minister Mahinda Rajapaksa leaving after the new Cabinet swearing-in ceremony at the Buddhist Temple of the Tooth on Aug 12.
PHOTO: AFP

Taiwan's tightrope walk between US and China

Better ties with the US would be a boon for Taiwan but currently it's a double-edged sword with US-China ties at an all time low.

GOH SUI NOI

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IT WAS A POKE IN THE EYE FOR BEIJING WHEN United States Health Secretary Alex Azar landed in Taiwan in early August, the highest-level American official to visit the self-governing island in four decades.

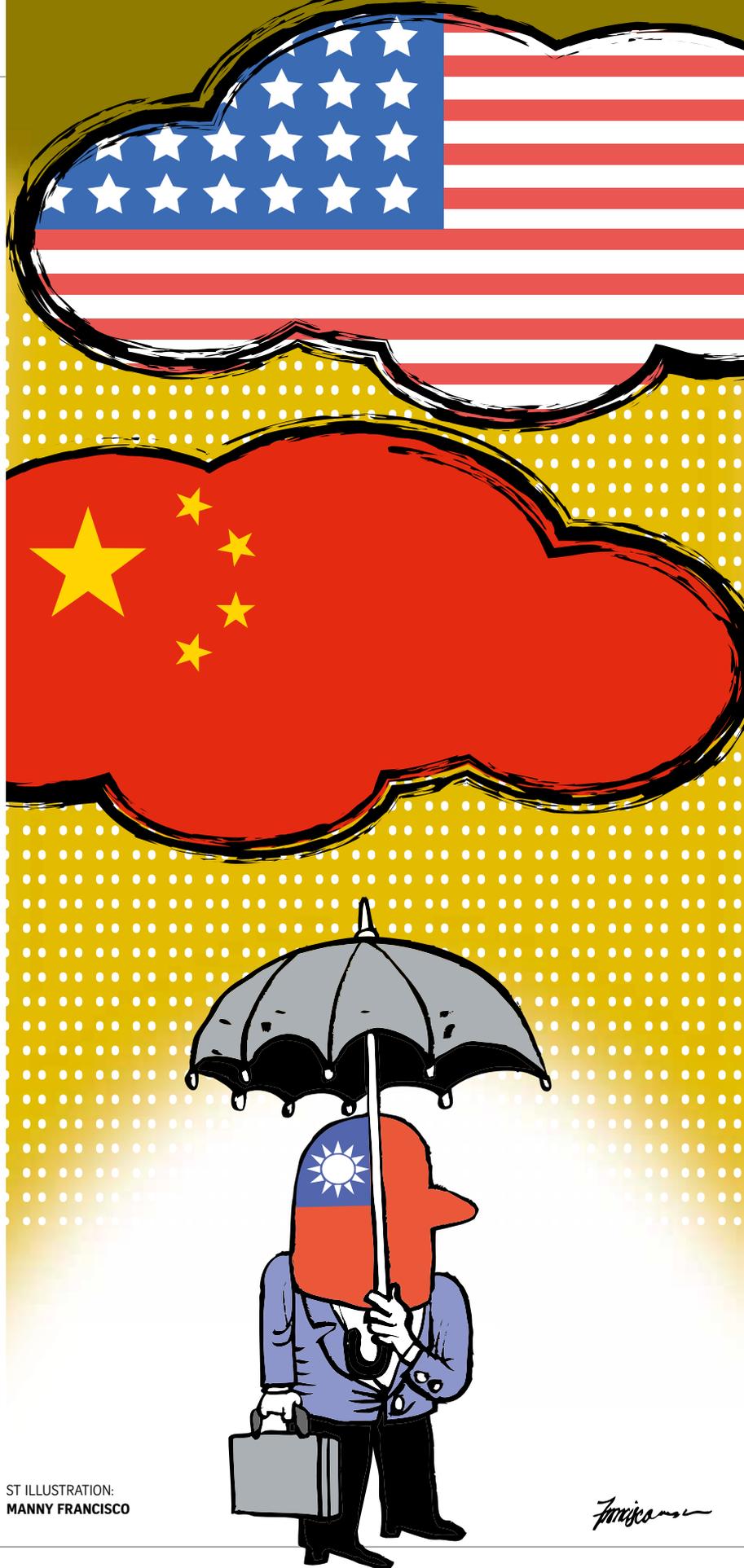
China made known its displeasure by flying fighter jets across the mid-line of the Taiwan Strait into Taiwan's side of the sensitive waterway the following day.

But it did not stop there. The People's Liberation Army's Eastern Theatre Command also held combat drills in the Taiwan Strait including at its northern and southern ends around the time of Mr Azar's visit.

In a statement a day after Mr Azar's departure, the spokesman for the command, Senior Colonel Zhang Chunhui, said the exercises were "a necessary move responding to the current security situation in the Taiwan Strait and were meant to safeguard national sovereignty."

Calling Taiwan an indispensable part of China, he said: "Recently, a certain large country has continued to make negative moves on Taiwan-related issues, sending serious wrong signals to 'Taiwan independence' forces, and seriously threatening the peace and stability of the Taiwan Strait."

Beijing without a doubt was furious with the US, for it viewed the visit as a violation of Washington's



ST ILLUSTRATION:
MANNY FRANCISCO

Manny Francisco

“one China” policy, which is the recognition that the People’s Republic of China is the sole government of China.

Since Beijing and Washington established diplomatic ties in 1979, the US has maintained close but informal relations with Taiwan in which the two sides’ high-level officials do not meet although low-level officials do.

But Beijing is also concerned over the strengthening of ties between the US and Taiwan in recent years, even as its own relations with the US have deteriorated since the start of the trade war between them in 2018 – which has expanded into the technology and investment arenas – and continue to worsen with each passing day.

What is also worrisome to Beijing is that Taiwan’s government has used its closer ties with the US to buy more arms. The US under President Donald Trump has stepped up sales of weapons to the island despite a 1982 commitment to gradually reduce arms sales. The US has agreed to sell the latest model of the F-16 fighter jet and the two sides are in discussion for Taiwan to acquire underwater sea mines, to deter amphibious landings, and cruise missiles for coastal defence.

Taiwan is increasing its defence spending as cross-strait ties have chilled since Ms Tsai Ing-wen of the independence-leaning Democratic Progressive Party came to power in 2016 and refused to acknowledge that there was a consensus in 1992 between the two sides that there was just one China in the world (with each side having a different view of what one China meant).

For Taiwan, better ties with the US is a boon in terms of its security. But it is a double-edged sword at a time when US-China ties are at a low point and the risks of not just a cold war but also a hot war between the two major powers have increased.

CHANGING US-TAIWAN TIES

The US’ approach of keeping its ties with Taiwan informal and not having contacts between senior officials started to change under President Trump.

It began with Mr Trump’s election in 2016, when as president-elect he broke with convention and accepted a congratulatory phone call from Taiwan’s President Tsai.

In 2018, the US enacted the National Defence Authorisation Act that calls for military ships to make port calls in Taiwan and the Taiwan Travel Act that encourages senior-level civilian US officials to visit Taiwan, overturning strict bans on this. Mr Azar’s is the first such visit since this Act was passed.

The Asia Reassurance Initiative Act signed in 2018 that promotes an Indo-Pacific region diplomatic strategy lists Taiwan among the US’ most important security partners in Asia and calls for regular arms sales to Taiwan.

Earlier this year, Mr Trump signed the Taiwan Allies International Protection and Enhancement Initiative Act that was passed last year. The new



legislation says the US should give support to Taiwan in its efforts to strengthen its relationships with countries and international organisations.

These US moves have taken place against a backdrop of deteriorating ties between Washington and Beijing and as the US under Mr Trump sees China as a strategic rival to be constrained. Some analysts, therefore, are of the view that Taiwan is being used as a pawn by the US in its relations with China.

Indeed, China’s nationalistic tabloid Global Times in an article on Mr Azar’s visit warned that Taiwan was being turned by the Americans into a “gunpowder keg for the Sino-US game”

The Taiwanese, for their part, welcome these US moves as they strengthen their ties with the US particularly at a time when their own ties with Beijing have been worsening.

China had cut off official contact with Taiwan – established during the rule of the China-friendly Taiwanese president Ma Ying-jeou (2008-2016) – after Ms Tsai came to power, because of her failure to accept the “one China” principle.

Beijing has also squeezed the island’s international space by poaching its diplomatic allies and blocking its participation in international organisations such as the World Health Organisation. It has increased its military exercises in the Taiwan Strait to show its military might.

Yet, while Taiwan seeks better ties with the US as a buffer against the Chinese mainland, it risks alienating Beijing even more if it leans too much towards Washington. China’s latest military manoeuvres in the Taiwan Strait are a sign of this.

At a time when US-China ties are becoming more volatile, Taiwan needs to exercise prudence and caution to keep itself from becoming caught in any conflict between the two major powers.

A conciliatory approach towards China, separated from it by only a 160km stretch of water, and keeping its ties with the Chinese mainland peaceful and stable are in Taiwan’s long-term interests. **ST**

US Secretary of Health and Human Services Alex Azar at a meeting with Taiwan President Tsai Ing-wen in Taipei on Aug 10. Mr Azar is the highest-level American official to visit the self-governing island in four decades. PHOTO: REUTERS

While Taiwan seeks better ties with the US as a buffer against the Chinese mainland, it risks alienating Beijing even more if it leans too much towards Washington. China’s latest military manoeuvres in the Taiwan Strait are a sign of this.



Abe's right-hand man Suga is front runner in PM race

He is favoured by LDP's top brass despite public preferring ex-defence minister Ishiba

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The LDP president's post typically carries a tenure of three years, but the winner this time will only see out the remainder of Mr Abe's term, which ends in September next year.



OUTGOING JAPANESE PRIME MINISTER SHINZO Abe's trusty lieutenant, top government spokesman Yoshihide Suga, has emerged as the front runner in a race to take charge of the world's third-largest economy. This is despite former defence minister Shigeru Ishiba being by far the public's preferred pick, according to two media surveys.

But Mr Suga is seen by the top brass in the ruling Liberal Democratic Party (LDP) as the ideal continuity candidate: a stable pair of hands to continue Mr Abe's work and potentially a unifying figure among rival factions.

He is Japan's longest-serving Chief Cabinet Secretary, having been in the role since Mr Abe's election in December 2012, and has been a rare constant through six Cabinet reshuffles.

But although he is the face of the government, he appears less popular among the public. The moniker "Uncle Reiwa", given for unveiling Japan's imperial name last year, has not struck a chord as the public sees him as stern and no-nonsense.

The LDP's next president was set to be chosen in a scaled-down party vote on Sept 14, though some party members are lobbying for a full vote. The Diet, as Japan's parliamentary body is known, would then convene on Sept 17 to officially name the new prime minister. As the LDP has a majority in the Diet, the party leader traditionally becomes prime minister.

The LDP president's post typically carries a tenure of three years, but the winner this time will only see out the remainder of Mr Abe's term, which ends in September next year.

The election process was to be confirmed, but it was likely that the new leader would be chosen by just 535 people – the LDP's 394 Diet members and three representatives from each of the 47 prefectural party chapters.

This would hugely disadvantage Mr Ishiba, 63, who has cast himself as an empathetic everyday man with his constant criticisms of Mr Abe's policies and cronyism scandals.

The native of Japan's least-populated prefecture Tottori is popular among rural grassroots members,



Mr Yoshihide Suga, seen here speaking at a press conference at the Prime Minister's official residence in Tokyo on Aug 31, is Japan's longest-serving Chief Cabinet Secretary. PHOTO: JUJI PRESS

but less so among those LDP members keen to toe the party line.

He is also rated highly by the public for his media savviness, frequently appearing on news programmes, and for his unabashed criticisms of Mr Abe's governance and frequent cronyism scandals.

Japan's opposition has long been in disarray – a new party was set to be formed on Sept 16 through the merger of two nascent groups that are barely three years old – making Mr Ishiba the ideal PM for a public that wants to stick with the LDP but is not a fan of Mr Abe.

He was the clear public favourite in two weekend media polls. Kyodo News placed Mr Ishiba at 34.3 per cent, followed by Mr Suga at 14.3 per cent. They were followed by Defence Minister Taro Kono (13.6 per cent), Environment Minister Shinjiro Koizumi (10.1 per cent), and former foreign minister Fumio Kishida (7.5 per cent).

Another poll, by Nikkei and TV Tokyo, placed Mr Ishiba at 28 per cent, followed by Mr Kono (15 per cent) and Mr Koizumi (14 per cent). Mr Suga was fourth at 11 per cent, with Mr Kishida trailing at 6 per cent.

The odds, however, are stacked against Mr Ishiba given the LDP's factional politics, where lawmakers tend to vote along faction lines. Mr Suga does not belong to any faction, but has won the backing of major factions led by LDP secretary-general Toshihiro Nikai and Deputy Prime Minister Taro Aso.

Mr Kishida, once Mr Abe's named preferred successor, remains keen on the race, and is trying to win the support of the LDP's largest faction, which is led by former chief Cabinet secretary Hiroyuki Hosoda and counts Mr Abe as a member.

Sophia University political scientist Koichi Nakano does not expect any surprises. He told The Straits Times: "Japan cannot afford a political vacuum, and so the co-pilot is being seen as the best person to take over when the pilot has left."

But he cautioned: "If rank-and-file LDP members cannot vote, Suga may not be seen as a legitimate successor. And if he does not do well in the next general election (which must be called by October next year), his days as PM might be quite short." **ST**

Lim Guan Eng pleads not guilty to receiving alleged bribe of \$1.1m

MALAYSIA'S FORMER FINANCE MINISTER Lim Guan Eng was charged on Aug 10 with receiving a RM3.3 million (\$1.1 million) bribe in relation to the Penang undersea tunnel project during his tenure as the state's chief minister.

He pleaded not guilty, after the charge was read out at the Sessions Court in Penang.

The 59-year-old was arrested and charged in Kuala Lumpur by the country's anti-corruption body for soliciting a bribe based on future profits for the same project.

Lim, who is contesting both charges, is out on a RM1 million bail.

The RM6.3 billion Penang undersea tunnel project has been on the radar of the Malaysian Anti-Corruption Commission (MACC) since 2017. But the investigation against Lim picked up pace only recently, months after the Pakatan Harapan (PH) administration lost federal power to the ruling Perikatan Nasional, following a series of defections.

Lim was finance minister for 22 months in the



Malaysia's former finance minister Lim Guan Eng speaking at a press conference in Kuala Lumpur on Aug 7. PHOTO: REUTERS

PH government, and is the secretary-general of DAP, which is the party with the most number of elected representatives in Parliament.

The veteran politician faces a jail term of up to 20 years if found guilty, similar to the penalty for the charge he faces in Kuala Lumpur.

Lim maintained his innocence at a press conference after he was charged in Penang, and said that the MACC had never asked him about the supposed RM3.3 million gratification he allegedly received.

"They never asked me this. MACC has never shown where this RM3.3 million is, it is not in my bank accounts, I don't have RM3.3 million in cash," Lim told reporters, calling the allegation "baseless" and "politically motivated." [ST](#)

- Ram Anand in Kuala Lumpur

Hit-and-run case a hot potato for Thai government

A HIT-AND-RUN SAGA INVOLVING THE SCION of one of Thailand's richest families has turned into a political hot potato for Prime Minister Prayut Chan-o-cha.

At least three high-level committees have been formed to examine how all charges came to be dropped against Mr Vorayuth Yoovidhya, whose Ferrari slammed into a motorcycle in Bangkok in 2012 and killed a policeman, Mr Wichan Klunprasert. Although Mr Vorayuth faced three charges initially, the first two expired because he evaded the authorities and fled the kingdom in 2017.

The last and most serious charge of reckless driving was dropped by prosecutors in June, triggering public outrage.

Mr Vorayuth, 35, is the son of Mr Chalerm Yoovidhya, whose clan owns about half of the Red Bull energy drink empire. The extended family, the second wealthiest in the country, is worth US\$20.2 billion (\$27.7 billion).



Mr Vorayuth Yoovidhya's Ferrari slammed into a motorcycle in Bangkok in 2012 and killed a policeman. He faced three charges initially, the first two expired as he evaded the authorities and fled Thailand in 2017. PHOTO: AP

For Thais laid low by the coronavirus pandemic and facing dim job prospects, Mr Vorayuth's case became a stunning symbol of inequality. Public fury following the dropping of charges forced the police and the office of the Attorney-General to set up panels to examine their own conduct.

The House of Representatives committee on legal affairs, justice and human rights has begun grilling officials involved in this case, and Mr Prayut convened his own fact-finding committee.

While Mr Prayut has been able to easily brush off earlier allegations of government corruption and misconduct since he became Prime Minister in 2014, prevailing political conditions make the Red Bull case trickier, said observers. [ST](#)

- Tan Hui Yee in Bangkok

Hin Leong founder charged with abetment of forgery

EMBATTLED OIL TYCOON LIM OON KUIN IS out on a \$3 million bail after being charged on Aug 14 with abetment of forgery for the purpose of cheating.

Better known as O.K. Lim, the 78-year-old founder of Hin Leong Trading was accused by the Singapore police of “instigating” Mr Freddy Tan Jie Ren, a contracts executive of the company, to forge a document purportedly issued by UT Singapore Services.

Charge sheets filed in the State Courts contend that Lim instructed Mr Tan to make an “ITT certificate” – or Inter-Tank transfer certificate on the letterhead of UT Singapore Services.

The document stated that Hin Leong had

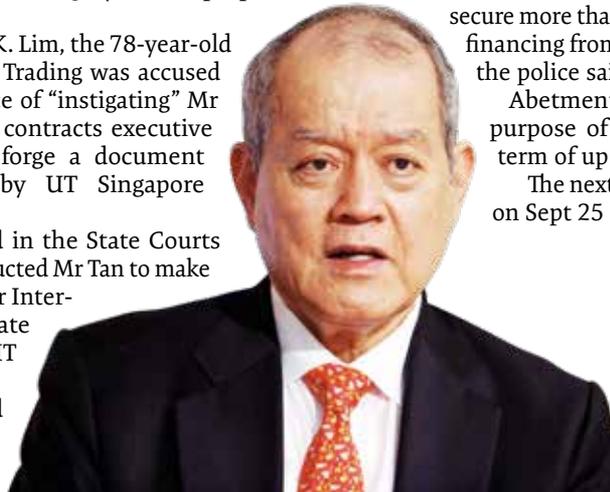
transferred 1.05 million barrels of gasoil to China Aviation Oil (Singapore) Corporation on March 18. The document was then allegedly used to secure more than US\$56 million in trade financing from a financial institution, the police said in a statement.

Abetment of forgery for the purpose of cheating carries a jail term of up to 10 years and a fine.

The next mention will take place on Sept 25 at 3pm. **ST**

– Grace Leong in Singapore

Hin Leong Trading founder Lim Oon Kuin, 78, better known as O.K. Lim, is out on a \$3 million bail.
PHOTO: REUTERS



‘Bad moments’ in China training stint still plague ex-national gymnast

NEARLY 30 YEARS AFTER HER TRAINING STINT in China, former national gymnast Eileen Chai still remembers the fear of making a wrong move and being punished.

So vividly, that the 42-year-old broke down in tears while recounting her experience to The Straits Times.

Chai, who was nine when she trained in China for three years from the late 1980s to 1991, felt her punishments were “lighter” than that of her Chinese peers, as she was a foreigner.

Though she was not beaten, she had witnessed young gymnasts from the second team being beaten by coaches, adding: “It was not easy being the observer because you can hear them crying and it was tough. There was a lot of scolding but there wasn’t much beating so we (her training group) were lucky.”

Her punishments were conditioning exercises such as doing handstand holds until the coach was satisfied. “Sometimes you have to hold the handstand against the wall for the entire session for about 2½ hours, and they don’t care whether you cry or not. I still remember the feeling from those days where I would get so scared I’d be punished.”

The issue of athlete abuse has recently been a much-discussed topic in local and international sporting circles, with former national figure skater Yu Shuran on July 22 opening up about the physical, mental and verbal abuse she allegedly suffered while training in China.

While Chai, a 1991 SEA Games bronze medallist, stressed that she did not consider her experience to

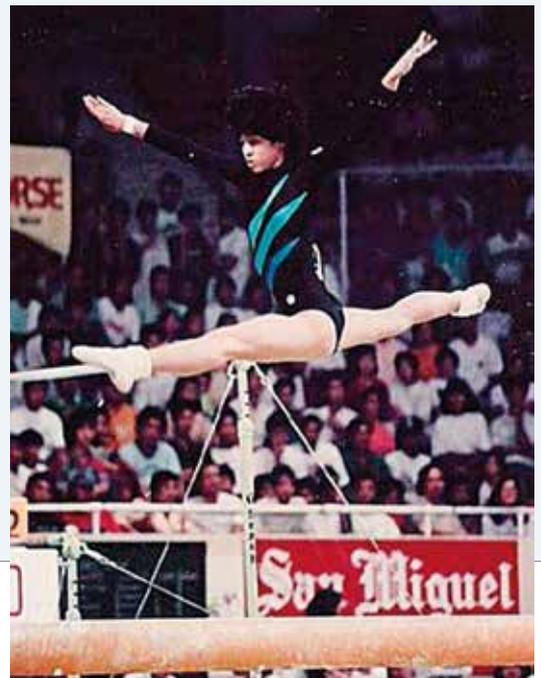
be abusive as the coaches had “no intention to harm”, she added that the methods were “not the right way”.

The former athlete, who quit competitive sports in 1995 due to multiple emotional and physical setbacks, had previously said that her social performance anxiety, a mental disorder, was partly due to her training in China. **ST**

– Nicole Chia in Singapore

Chai, who was nine when she trained in China for three years, felt her punishments were “lighter” than that of her Chinese peers, as she was a foreigner.

PHOTO: COURTESY OF EILEEN CHAI



Former national gymnast Eileen Chai trained in China for three years from the late 1980s to 1991. PHOTO: COURTESY OF EILEEN CHAI



Why gold is glittering again

Central bank actions, fiscal deficits and uncertainties have produced a tailwind

AFTER BEING LARGELY UNLOVED FROM 2013 to 2018, gold took off on a bull run that picked up momentum after the Covid-19 outbreak. Since mid-September last year, the price of the precious metal has gone up by around 60 per cent. Since the start of the year, it has gained close to 30 per cent.

In early August, Warren Buffett, who has long derided gold as a non-productive asset, poured more than US\$500 million (S\$683 million) into one of the world's largest gold mining companies, Barrick Gold.

This is viewed as a major endorsement for the yellow metal that could embolden more mainstream analysts to put out buy recommendations on gold, which they have largely avoided doing so far. Until Covid-19 broke out, gold was not considered an essential part of any respectable investment portfolio. But that is changing.

The world is still awash in negative-yielding sovereign bonds – normally regarded as the safest assets – that exceed US\$12 trillion globally. Bonds with negative yields reduce the opportunity costs of holding gold, neutralising even the management fees in a typical gold exchange traded fund.

COVID THE CATALYST

The Covid-19 crisis has turbocharged gold's advance – first, because of its impact on US Treasury yields.

After the US Federal Reserve slashed its Fed funds rate to near zero in March, the yields on Treasuries sank. The 10-year Treasury is now yielding about 0.7 per cent, which, given that US core inflation is running at about 1.6 per cent, means the return on what was considered the safest asset in the world is now negative in real terms.

Around the world, budget deficits have also ballooned on account of Covid-19 as governments have been forced to dramatically boost spending to protect lives and jobs, provide unemployment benefits and bail out companies.

The fiscal blowout in the United States is particularly important because it could have a direct bearing on the fate of the US dollar and asset prices, including gold.

In June, the Congressional Budget Office raised its projection for the US federal budget deficit to US\$3.7 trillion, or 17.9 per cent of gross domestic product (GDP), from 4.9 per cent as recently as March.



ST ILLUSTRATION: MIEL

Even with tax increases, a large proportion of the deficits and debt will most likely be monetised by the Fed, as happened during World War II.

The Fed has hosed the economy with money, including through US\$2 trillion worth of asset purchases, and set aside at least US\$2.7 trillion more for loan programmes and liquidity measures. Since March, the chart for the quantity of broad money (M2) has gone almost vertical.

The debt and deficit blowout combined with unlimited money printing has gold bugs salivating. They see it pointing to a debasement of currencies relative to assets whose supply is fixed or can increase only slowly – like gold.

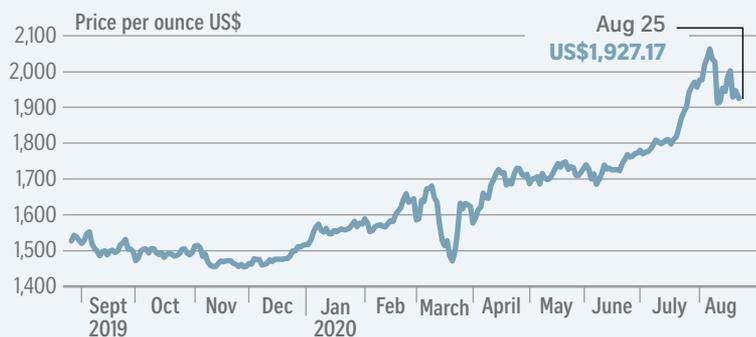
The US dollar has been weakening, not only against gold but also against the basket of eight currencies in the US dollar index, after a brief spike

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The rise and rise of gold



SOURCE: BLOOMBERG STRAITS TIMES GRAPHICS

There are also risks of US Treasury yields rising if investors' expectations of monetary easing run ahead of what the Fed actually does – which would cap gold's rise. If deflation takes hold, even with interest rates close to zero, real (inflation-adjusted) rates could rise, which would also be negative for gold.



in March. Other currencies have also weakened relative to assets with fixed or limited supplies, such as gold and bitcoin.

The expansion of M2 is also believed to be good for gold (among other assets) because a lot of that money will find its way into investment assets, including gold.

Apart from asset inflation, it could also lead to higher consumer price inflation, although this has not always been good for gold; while inflation pushed up gold in the 1970s, that didn't happen in the 1980s, partly because Treasury yields were still positive.

But the prospect of higher inflation combined with low interest rates and negative bond yields makes gold (and other assets with limited supply) a potential winner.

The way gold investors see it, the only scenario that would be bad for gold is a so-called "Goldilocks economy" where inflation is low to moderate, there is no recession, the economy is not too hot, not too cold, and interest rates and bond yields are positive in real terms. That world has now gone.

In recent years, central banks have also been adding to their holdings of gold, which comprises about 13 per cent of total reserve assets.

The World Gold Council reports that, since 2018, central banks such as China's and Russia's have been aggressive gold buyers as they try to diversify their holdings away from the US dollar.

The weaponisation of the dollar by the Trump administration in particular – through sanctions that prohibit the use of the dollar in transactions with some countries – might also have encouraged more gold purchases by central banks.

Supply-wise, gold cannot keep up with the pace of money printing around the world. It cannot be printed and its supply can only expand slowly.

AN UNDER-OWNED ASSET

Gold has also become under-owned. In the 1970s and 1980s, it was common for gold to make up 1.5

per cent to 2 per cent of a typical US investment portfolio. After its seven-year-long bear market from 2011 to 2018, it is currently estimated by gold industry watchers to make up less than 0.5 per cent of portfolios.

Relationship managers at private banks usually do not recommend gold to their clients. Pension funds, insurance companies and foundations hardly hold any gold either. But hedge funds do. Some iconic investors recommend 5 per cent to 10 per cent of gold in a portfolio as part of an "all weather" strategy.

RISKS FOR GOLD

There are certain risks. Gold is highly volatile. Prices soared almost seven-fold between August 1976 and January 1980, and again from January 2000 to September 2011. They then almost halved between October 2011 and August 2015.

There are also risks of US Treasury yields rising if investors' expectations of monetary easing run ahead of what the Fed actually does – which would cap gold's rise.

If deflation takes hold, even with interest rates close to zero, real (inflation-adjusted) rates could rise, which would also be negative for gold. So would a bounce in the US dollar.

Investment returns on gold are also hard to analyse – gold doesn't have cash flows, so investors can't calculate its net present value as they can with companies' earnings.

Investors also need specialised knowledge of geology and mining to really come to grips with mining companies' true financial prospects.

THE SINGAPORE ADVANTAGE

Among the beneficiaries, Singapore is the biggest gold trading hub in Asia after Hong Kong. It benefits from a tax-free regime; since 2012, it has been possible for investment-grade gold (and other precious metals) to be bought and sold without goods and services tax.

The Republic has world-class gold storage facilities such as the Singapore Freeport (located near Changi Airport) and even a gold refinery. Its financial sector includes bullion traders and dealers, and hedge funds and investment banks with gold trading desks.

The Monetary Authority of Singapore has also encouraged innovation in the gold industry through its digital acceleration grants for fintechs.

One of its beneficiaries has been Digix, an online platform for gold purchases in digital form that enables buyers to buy gold in amounts as little as one-tenth of a gram.

Co-founder and chief operating officer Shaun Djie believes gold could cross US\$2,100, and that Singapore's gold exports – among its fastest-growing exports now – have been on a roll, soaring 227.9 per cent in July year on year. **SI**



Business trends

PHOTO : ISTOCK

Flagship phone wars

Analysts are keen to see if the new launches of flagship phones will also ring in profits

MS CHEE SHIAO TIING WILL BE LOOKING TO upgrade her iPhone X when Apple's new flagship model comes out later this year.

"In these times, the smartphone is the most important gadget to have as I need it to stay connected with my friends and clients," says the 26-year-old marketing executive.

Besides, she adds, upgrading to a flagship smartphone that lasts longer will make more sense in the long run.

The season for flagship smartphones has started. And consumers like Ms Chee, who are planning to get top-tier models, could help stem declining sales of smartphones amid the economic uncertainty brought about by the Covid-19 pandemic, according to analysts.

According to market research firm Counterpoint Research, the global smartphone market declined at its fastest rate ever in the second quarter of the year, with 271.4 million units shipped, a 24 per cent drop compared with the same period last year.

Mr Varun Mishra, research analyst at Counterpoint Research, says flagship smartphones

have always been a big driver of profit stream for the industry. "We think the flagship segment will be least affected among all (segments) during the pandemic. The consumer segment, which caters to the flagship demand, also comes from an economically stronger background," he says.

He notes that for emerging markets like India, the premium segment was one of the least affected and even reached its highest market share in the second quarter of the year.

The end of the year usually marks the release of flagship smartphones from major vendors.

Samsung fired the first salvo in August, when it launched its latest flagship Note20 series smartphones and new premium foldable smartphone Galaxy Z Fold2.

Apple and Huawei have unveiled their flagship smartphones in September in previous years. Both are expected to do so again this year even though delays are expected in terms of availability.

Google announced its flagship Pixel 5 smartphone when it launched its mid-range Pixel 4a in late July. There are rumours that Pixel 5 will be launched in October.

Flagship models and the holiday buying season have traditionally bolstered smartphone sales in the last quarter of the year. Manufacturers shipped 368.8 units during the last quarter of last year – a 2.9 per cent increase from the previous quarter, according to research firm IDC.

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Flagship smartphones have always been a big driver of profit stream for the industry. We think the flagship segment will be least affected among all (segments) during the pandemic. The consumer segment, which caters to the flagship demand, also comes from an economically stronger background.



– MR VARUN MISHRA
Research analyst at
Counterpoint Research

Mr Loo Wee Teck, global head of consumer electronics at market research provider Euromonitor International, expects flagship models to help vendors close out the year on a more positive note.

“(Flagship smartphones) draw all the eyeballs and generate positive reviews, allowing a company’s entry and mid-range models to ride on the coattails of these highly rated flagship models,” he says.

Taking Samsung as an example, Mr Loo says: “While its sales are eroded in the entry and mid-range segments, Samsung is banking on stronger sales for its flagship Note series (as well as its much higher margins) to offset the decline for the lower-priced models and push up its revenues.”

He adds that the actual pricing of flagship models

is hidden by the mobile plans offered by telcos.

“Prices of these phones are masked by mobile plans and subscribers can snag these flagship models for a price that can be lower than an entry model (without mobile contract),” he says.

For instance, the \$1,898 Samsung Galaxy Note20 Ultra flagship smartphone can cost as low as \$338 with a two-year \$100-a-month contract here.

Banking executive Jerry Gong, 35, is thinking of upgrading to the Samsung Galaxy Note20 from his current Huawei smartphone, once his telco contract expires in October.

He says: “Since I am already paying the telco every month for my mobile line, I might as well take the contract to subsidise the phone.” 

How they stack up:

Samsung Galaxy Note20 Ultra 5G

SAMSUNG’S LATEST FLAGSHIP GALAXY NOTE20 phablet series will come in two models – the 6.7-inch Note20 and the 6.9-inch Note20 Ultra.

In Singapore, the Note20 (available on Lazada and Shopee) is available in 4G (\$1,398) and 5G (\$1,548) versions, while the Note20 Ultra (available on Lazada and Shopee) will come only in a 5G version (\$1,898). We reviewed the Note20 Ultra 5G, which supports 5G’s Sub-6GHz bandwidth but not its mmWave bandwidth. Both bandwidths are slated to be rolled out in Singapore in the near future.

On first look, there is not much difference between the Note20 Ultra 5G and its predecessor, the Galaxy Note10+.

But there are some quality-of-life changes. The volume and power buttons have been moved to the right side for the Note20 Ultra, from the left in Note10+.

Most smartphones have these buttons on the right side. So those upgrading from iPhones or other Android smartphones will like this change.

The S Pen stylus, used for scribbling handwritten notes and performing other tasks, is at the bottom left instead of bottom right as with the Note10+.

Overall, the Note20 Ultra is a fantastic-looking phone – a sleek slab of display with super-thin bezels, curved sides and a tiny hole-punch front-facing camera.

The 6.9-inch display has a refresh rate of up to 120Hz for smoother scrolling and to prevent screen tearing when playing games.

However, you can set the display only between the adaptive mode – which changes the refresh rate automatically to 120Hz according to content – and the standard mode of 60Hz. I would have preferred being able to set the refresh rate at 120Hz all the



The Samsung Galaxy Note20 Ultra 5G smartphone comes in three colours – black, white and bronze. PHOTO: SAMSUNG

time even if battery life takes a hit.

Nonetheless, the display looks absolutely gorgeous. Its viewing angles are wide and it has vivid colours and sharp details. I can just sit and marvel at the display all day.

The in-display fingerprint sensor seems to have been improved. It now works most of the time at first try, when I usually would need two or three tries for the Note10+.

The Note20 Ultra comes in three colours – black, white and bronze. I highly recommend the bronze model, as it is only the one with a textured matte finish, which reduces fingerprints and smudges on the back of the phone.

The other two colours have a glossy finish that is a smudge magnet.

My only quibble about the phone’s design is its large camera “bulge” at the rear. But I guess you cannot defy the laws of physics when you have a camera module with a 5x optical zoom lens.

– Trevor Tan

Read more online at <https://str.sg/JhTf>

Google Pixel 4a vs Apple iPhone SE

WITH A HOLE-PUNCH SELFIE CAMERA AND THIN bezels around its display, the Pixel 4a looks like most Android phones from the past year or two.

In comparison, the iPhone SE resembles the iPhone 8 (2017) with its chunky screen bezels and relatively small screen. It looks like something you'd find in a vintage shop.

Both phones are handy by today's standards and ideal for those who prefer smaller phones. The Pixel 4a (144 x 69.4 x 8.2mm) is slightly larger than the iPhone SE (138.4 x 67.3 x 7.3mm), though they weigh the same (around 140g).

Between the two, the Pixel 4a not only looks more modern, it also offers a higher screen-to-body ratio than the iPhone SE. Seeing as the Pixel 4a has a 5.8-inch OLED screen compared with the iPhone SE's 4.7-inch LCD, this should be a slam dunk for the Pixel 4a.

The truth is, the differences are closer than you'd think. Yes, the iPhone's LCD screen can't produce perfect blacks like the Pixel's OLED screen, but this LCD screen is of the highest quality. It is well calibrated and can get very bright (up to 625 nits).

It also supports Apple's TrueTone feature that changes the colour temperature according to ambient lighting. While the flagship Pixel 4 has a similar feature, it apparently did not make the cut in the cheaper Pixel 4a.

However, the biggest discrepancy is in the screen resolution. The 1,334 x 750 pixel resolution offered by the iPhone SE is simply inferior to the Pixel 4a's

2,340 x 1,080 pixel resolution.

Again, the Pixel 4a offers more screen and more pixels than the iPhone SE despite being almost the same size. While the higher-end Pixels and iPhones sport multiple rear cameras, the watered down Pixel 4a and iPhone SE come with only one 12-megapixel rear camera.

However, camera hardware is less critical for the Pixel 4a, as Google relies heavily on software algorithms (computational photography) for its camera. Plus, the Pixel 4a has the same camera sensor as the one on the flagship Pixel 4.

Face recognition is unavailable on these two mid-range models – replaced by fingerprint sensors – though given the current face mask-wearing situation, it is not a downside.

The iPhone's thick bottom bezel houses its Touch ID fingerprint sensor while the Pixel 4a puts its fingerprint reader at the back of its matt plastic body.

The iPhone SE, though, has flagship features in the form of wireless charging and water resistance. It also supports the latest Wi-Fi 6 standard.

All these features are missing from the Pixel 4a. On the other hand, the Pixel 4a still has a 3.5mm headphone jack, which has been missing on iPhones since 2016.

In this regard, the iPhone SE is the winner for having features typically found in higher-end models.

– Vincent Chang

Read more online at <https://str.sg/Jn8W>



Google's Pixel 4a phone has a larger 3,140mAh battery, up from 2,800mAh in the Pixel 4. PHOTO: GOOGLE



Apple's iPhone SE smartphone has flagship features in the form of wireless charging and water resistance. It also supports the latest Wi-Fi 6 standard. PHOTO: APPLE

Wireless charging the way forward

WIRELESS CHARGING, ESPECIALLY FOR smartphones, has been gaining popularity because of the increasing adoption of the Qi wireless charging standard by various smartphone-makers, such as Samsung, Apple and Google, said market research firm BIS Research.

Qi is an open standard for wireless power transfer using inductive charging, developed by the Wireless Power Consortium (WPC). Samsung adopted the standard in 2015 and Apple did the same in 2018 with the iPhone 8 and 8 Plus.

Market intelligence firm Fact.MR said the global demand for wireless charging stands grew at more than 15 per cent annually in 2018 and last year, when it reached a market size of nearly US\$7 billion (\$\$9.6 billion) last year.

BIS Research expects the market to expand at a compound annual growth rate of 41.79 per cent from last year to 2024, rising from US\$5.84 billion to US\$33.48 billion in annual market size over the period. This market comprises only the components used for Qi standard-based wireless charging systems.

Retailer Lazada says sales of wireless chargers in

Singapore have been rising, averaging three to four times the daily number two years ago.

Fact.MR senior consultant Santosh Kumar says the primary reason for the popularity of wireless charging stands is the convenience, while BIS Research senior analyst Eshan Hira feels that "increasing battery anxiety" among consumers and rising shipments of smart handheld devices are also fuelling the demand for wireless chargers.

One obstacle to wireless charging growth is the lack of fast chargers. But that is changing with advancements in the Qi standard. Many wireless chargers were limited to a specification called Baseline Power Profile, which supports up to 5W of power output. In 2015, the Extended Power Profile specification, which supports up to 15W, was introduced.

Last year, WPC introduced the Proprietary Power Delivery Extension (PPDE). It is a technology that allows WPC members – which include Apple, Samsung, Nokia, Huawei and other original equipment-makers – to develop their own wireless chargers to deliver higher than 15W of wireless charging power.

– Trevor Tan



Sales of wireless chargers, such as the Moshi Lounge Q (above), in Singapore have been rising. PHOTO: MOSHI

Hyundai's e-vehicles to be built in Singapore



Hyundai's soon to be launched range of electric vehicles – (from left) the Ioniq 6, Ioniq 7 and Ioniq 5. In Singapore, Hyundai will start with an electric compact crossover, which sources say might be called the Ioniq 3.

PHOTO: HYUNDAI

Electric vehicles have a long-term growth potential, say analysts

THE VACUUM LEFT BY DYSON HAS BEEN FILLED. Hyundai Motor will make electric vehicles (EVs) at a plant in Jurong slated to be up and running by 2022, the first automotive assembly facility here in nearly 40 years.

The South Korean carmaker's choice to pick Singapore as a manufacturing location is an unprecedented one.

"It is the first time we are picking a country which does not have a car manufacturing industry," an insider told *The Straits Times*.

Mr Teo Hock Seng, executive chairman of Hyundai distributor Komoco Motors, said the manufacturing of EVs here is a significant milestone.

He added that plans for the plant germinated four years ago, during Komoco's 30th anniversary. High-ranking executives from Hyundai came and met Ministry of Trade and Industry representatives.

He said Komoco targets to sell 5,000 to 6,000 of the 30,000 electric cars made here a year, and Hyundai will export the rest.

Hyundai will start with an electric compact crossover, which sources say might be called the Ioniq 3.

Groundbreaking for the plant in Bulim Avenue is slated for October.

The facility will be a modern complex with swathes of solar panels, and will be a test-bed for highly-automated, data-driven "smart manufacturing".

The facility will also carry out artificial intelligence research, investment activities, and trial new mobility services.

Hyundai is also expected to team up with local partners, such as universities, to carry out hydrogen fuel cell and autonomous driving research.

Without being specific, the spokesman said the facility will create "hundreds of jobs". He would not reveal the investment sum.

Despite the relatively high cost of land and labour here, industry observers are cautiously optimistic that Hyundai's plans to make electric cars in Singapore will be viable.

They also said the venture will add value to the Singapore economy.

Nanyang Business School Adjunct Associate Professor Zafar Momin said that while Singapore does not have a sizeable domestic car market in relation to other South-east Asian countries or an established automotive supply base, it has world-class logistics, a skilled technical and engineering workforce, a more developed infrastructure and a business-friendly government.

But Mr Say Kwee Neng, a 23-year motor trade

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veteran and now a business transformation leader, said that for any car manufacturing business here to succeed, finding “more creative ways of amortising the cost of investing in plants and facilities” is key.

“Labour costs can be offset by selling higher-margin products, such as electric vehicles, but not revising policies pertaining to how these investments can be treated would make the investments exorbitant, given our high land costs,” he added.

Mr Say suggested creating a “Jurong Island for the car industry, and amortising this public cost over a longer period, given that it would bring significant benefits such as employment to Singapore”

Mr Ron Lim, sales and marketing head at motor

group Tan Chong, which has an assembly business in Thailand, said Hyundai’s assembly venture is feasible, given the long-term growth potential of electric vehicles (EVs) worldwide.

“If successful, it could also create a whole new supporting industry, if the Government can attract more like-minded manufacturers to invest here,” he added.

Prof Zafar, previously an automotive analyst with Boston Consulting Group, added that the playing field is made more level since Hyundai will be making EVs here.

“EVs have far less components than traditional internal combustion vehicles and are less labour-intensive to assemble,” he said. [ST](#)

TECH UPDATES

Chinese consumers eager to test ‘robotaxis’

Chinese entrants in the race to put autonomous vehicles on the road are bringing “robotaxis” online. It will still be years before cars that operate completely without human intervention are unleashed, owing to lingering technological, regulatory and safety hurdles.

But as China challenges US tech dominance, Chinese players like Baidu, Alibaba-backed AutoX and ride-sharing king DiDi Chuxing have launched robotaxi pilot projects in several Chinese cities.

Chinese consumers – known for eagerly embracing digital solutions – are lining up for a spin in DiDi Chuxing’s self-developed autonomous taxis at a Shanghai pilot project launched in June. They can use DiDi’s mobile app to plot a



Baidu’s Apollo “robotaxi” on a street in Changsha, China, on Aug 6. PHOTO: AFP

ride through suburban roads in a Volvo fitted with a crown of tech hardware topped by a spinning radar device.

Mr Meng Xing, chief operating officer of DiDi’s autonomous driving firm, said its AI system “is already smart enough to handle most situations”, and that safety drivers almost never need to intervene.

AutoX’s chief executive Xiao Jianxiong expects a “sizeable” deployment of the cars – without safety drivers – could take place in two to three years. – AFP

Burberry and Tencent join hands to open first ‘social retail store’ in Shenzhen

At Burberry’s newest store in China, you can digitally personalise your fitting room’s interior and music, access styling options for items of clothing, and unlock a secret “interactive weather” room – all through social media app WeChat.

These functions and more are part of the immersive digital experience

Burberry hopes to give its customers. The British fashion house unveiled its “social retail” store in Shenzhen, China’s technology hub, on July 31.

Through a WeChat mini programme Tencent created, visitors can do things like book an appointment with a store associate, or a reservation at the in-store cafe. With every online interaction – a like, share, booking, purchase – visitors “step up the level of social currency”, progressing to unlock more features within the store such as exclusive items on the cafe menu.

The cycle of omnichannel engagement keeps people engaged and coming back. – Amanda Chai

A ‘smart glove’ that can slay virtual foes

A team of researchers at the National University of Singapore (NUS) is developing a smart glove that connects wirelessly to a computer or gaming console.

Finger and wrist gestures on the glove are mapped to various functions traditionally done with a keyboard or a gaming controller, such as the changing of presentation slides and the firing of weapons or moving of characters in video games.

Sensors in the glove are filled with a conductive liquid metal that creates a signal when a small electric current is run through it. The signal changes when the user bends a finger and the sensor’s fibres, which is how the glove detects motion.

The NUS team has so far mapped gestures to 11 inputs and commands for performing a variety of in-game actions, but the glove could have the potential to accomplish tasks currently done with a mouse and a keyboard.

Director of the NUS Institute for Health Innovation and Technology, Professor Lim Chwee Teck, said the goal is to go commercial with the glove in a year’s time and estimated that the glove could cost between S\$200 and \$300. – Lester Wong

The NUS research team led by Professor Lim Chwee Teck (left) and team members, Dr Yeo Joo Chuan (wearing the smart glove) and Dr Yu Longteng. PHOTO: NUS



At Burberry’s first “social retail” store in Shenzhen, shoppers can use the WeChat app to access a product’s styling options by scanning its QR code or personalise their fitting room experience. PHOTO: BURBERRY

More made-in-India works coming to Netflix

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Film Correspondent



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Expect thrillers, comedies and romance in the slew of made-in-India titles to be released in the coming months

NETFLIX VIEWERS CAN EXPECT MORE MADE-IN-INDIA titles as the streaming service ramps up its investment in shows from the nation.

In the coming months, 17 films and television series will be released, running the gamut from romance and drama to comedies and thrillers.

In an e-mail, Ms Monika Shergill, vice-president of content at Netflix India, tells The StraitsTimes that the slate is “well-balanced”

“It gives almost equal representation to male and female writers, directors, producers and actors. These stories from India’s finest creators represent the tremendous diversity that Indian storytelling

holds for the world,” she says.

One film is the biopic *Gunjan Saxena: The Kargil Girl* (PG13, 112 minutes). The story of India’s first female air force officer to fly in combat is now among the top 10 most-watched films on Netflix Singapore.

Director Sharan Sharma says in a separate e-mail interview that shooting the aerial scenes – mostly in the European nation of Georgia – was a “surreal” experience.

The production team was “clear from the start” that real aircraft would be used as much as possible, instead of relying on computer effects.

“The aerial action was definitely a major challenge, as it needed a very specific kind of expertise. However, it was also the most thrilling part of the shoot,” says the director, who makes his feature debut with the film.

The flying scenes depict helicopter pilot Gunjan Saxena – played by young actress Janhvi Kapoor – in training as well as in action during the 1999 Kargil War, an armed conflict between India and Pakistan.

Janhvi Kapoor takes on the role of India’s first female air force officer to fly in combat in the biopic *Gunjan Saxena: The Kargil Girl*.

PHOTO: NETFLIX



Netflix viewers can expect more made-in-India titles as the streaming service ramps up its investment in shows from the nation. In the coming months, 17 films and television series will be released, running the gamut from romance and drama to comedies and thrillers.



The story depicts Saxena's struggle against the prejudices of the 1990s. Officially, the walls stopping women from becoming pilots had come down, but unofficially, male pilots created new obstacles.

Also making his feature film debut is director Honey Trehan, whose crime thriller *Raat Akeli Hai* (NC16, 149 minutes) was released on July 31. Through the eyes of policeman Yadav, played by Nawazuddin Siddiqui, the norms of life outside India's major cities are exposed.

The screenplay, written by Smita Singh, shows how "culture in a lot of small towns is still steeped in a feudalistic mentality," says Trehan via e-mail.

Yadav's attempt at tracking down a murderer is complicated by the involvement of a powerful family who is linked to the trafficking of women. The cop is repeatedly reminded of his place in the local pecking order, one defined not just by family connections, but also by caste.

"The darkness is always hidden deep within, where everyone knows it exists but nobody talks about it," he says.

Already showing on Netflix Singapore is the crime thriller *Class Of '83* (NC16, 98 minutes).

Set in the 1980s, it stars Bobby Deol as Vijay Singh, the tough but mysterious dean of the police academy in Bombay (now Mumbai). He recruits a group of cadets and shapes them into a secret vigilante team, embedded with the police but acting outside the law.

Director Atul Sabharwal says the film, loosely based on a non-fiction book by S. Hussain Zaidi, seeks to capture the spirit of a turbulent period.

He says in an e-mail: "1980s India holds a special interest for my generation. It was eventful, and not always in the best possible ways."

It was a time of increased militancy and political assassinations, and closed markets made smuggling a lucrative business. Anyone seeking to open a business had to obtain a bewildering array of permits issued by bureaucracy dubbed the "Licence Raj."

"Corruption was rampant in government departments because of the Licence Raj," Sabharwal says.

The story, which deals with the use of murder to clean up the streets, is not based on any single case. [SI](#)



A Suitable Boy starring Tanya Maniktala (left) and Mahira Kakkar. PHOTO: NETFLIX

TITLES TO WATCH OUT FOR

Here are some upcoming made-in-India works on Netflix.

A SUITABLE BOY

Directed by the Oscar- and Golden Globe-nominated Mira Nair (for the 1988 crime drama *Salaam Bombay!*), this four-episode miniseries is produced by BBC One and distributed by Netflix in this region. It is adapted from Vikram Seth's celebrated 1993 novel of the same name. Screenwriter Andrew Davies tells the story of college student Lata (Tanya Maniktala) and her friends and family in 1950s India as they aspire to love and stability in a rapidly changing nation.

LUDO

This comedy-drama, which stars Abhishek A. Bachchan and Rajkumar Rao, is about four people whose lives intertwine in unexpected ways. Called a "dark comedy anthology" by some news sites, it is helmed by reality show judge and film-maker Anurag Basu.



PHOTO: NETFLIX

AK VS AK

This drama stars two of India's biggest male leads, Anil Kapoor and Anurag Kashyap, who play versions of themselves. In this film-within-a-film mind-twister, Kashyap is a film director who kidnaps Kapoor's daughter and films the actor's desperate search in real time in the hope of creating a hit.

BOMBAY ROSE

Indian animation is not well-known in this part of the world, but this film, selected to open International Critics' Week at the 2019 Venice Film Festival, might make the format more popular. It tells three tales of romance, each interrupted by the realities of communal friction and religious tradition that rule Bombay.



Big Picture

The new public toilets in Tokyo use “smart glass” to create a transparent effect when not in use.
PHOTOS: EPA/NYT

Now you see me, now you don't

TRANSPARENT TOILETS WHOSE TINTED GLASS stalls become frosted and opaque when they are occupied and locked properly are Tokyo's latest public conveniences.

Designed by Pritzker Prize-winning architect Shigeru Ban, the toilets allow users to check out the cleanliness and safety without having to walk inside or touch a thing.

The toilets were installed in the Japanese capital in August, coinciding with a nationwide campaign to phase out the city's old-fashioned public toilets ahead of the now-delayed Summer Olympics. More than 300 restrooms were refurbished from 2017 to last year, according to the Japan Tourism Agency.

A report in New York Times (NYT) says that

the way the doors work is that when the door is unlocked, an electric current realigns the crystals in the glass to allow more light to pass through, creating a transparent effect.

The toilets have been designed to showcase the country's technological advancements.

But there are those who are concerned that the system might suddenly fail.

“I am not willing to risk my privacy because someone wants to make a fancy toilet,” Sachiko Ishikawa, a 32-year-old writer and translator, told NYT.

Ms Ishikawa said she was concerned that human error would make it too easy for bathroom users to inadvertently expose themselves. [ST](#)

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