



The Future of Security: Mapping the 5G ecosystem in India

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The Synergia Foundation organised a roundtable discussion on



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Background

5G networks are digital cellular networks, in which the service area covered by providers is divided into a mosaic of small geographical areas called cells. 5G is expected to advance wireless networking by bringing fibre-like speeds and extremely low latency capabilities to almost any location. 5G is approximately 20 times faster than 4G. In April 2019, South Korea became the first country to adopt 5G. Just hours later, Verizon launched its 5G services in the United States, and disputed South Korea's claim of becoming the world's first country with a 5G network.

Analysis

One of the biggest risks to 5G networks is the potential disruption to critical infrastructure. Unlike threats to 4G and older networks, the real-world applications of 5G involving the Internet of Things (IoT), makes its network infrastructure a likely target to immobilize essential communication networks of the future.

It is extremely important for India to reduce its overwhelming dependence on foreign Original Equipment Manufacturers (OEMs) for supplying next-generation telecommunication equipment. This view is supported by articulating an overarching vision that not only lays a roadmap for combating key threats to the implementation of a 5G Network but also incentivizes key stakeholders to cooperate and leverage mutual strengths, concluded the experts at Synergia Foundation's 55th roundtable held in Bangalore on May 22, 2019.

The objective of the forum was to bring together key stakeholders to work towards a framework for the design and development of indigenous 5G technologies, products and solutions while securing the intellectual property and for secure 5G deployment. The prevalent issues with existing networks have been the threat to the data transmitted but 5G faces a different and a more fundamental threat. Unlike 4G LTE, disruption of the communication infrastructure is the biggest risk for 5G networks. The paradigm of security in 5G is continuously transforming as technologies evolve and newer use cases and applications become pervasive. Securing undersea cables is critical from a cybersecurity perspective and a calibrated approach is crucial for aligning national security, internal capabilities, investment needs and strategic intent.

Wireless carriers around the world are sprinting to adopt next-generation networks - which offer faster data rates, reduced latency, energy savings, cost reductions, higher system capacity and massive device connectivity - as a chance to get out in front for the first time. If big data is the new oil of the digital era, then 5G is the set of pipes that will deliver it. A key discussion in the forum was the agreement of a

'critical' window for India to develop a coherent plan for 5G networks. Participants agreed on a broad 12-24 month timeframe within which India should plan and execute a national mission for 5G technology. The mission was also described as being like the nation's Atomic Energy and Space programs.

Some challenges to 5G include the lack of domestic device manufacturing capabilities. Firstly, the problem with domestic manufacturing is that by the time India develops and sets a product into production, the market is flooded with cheap foreign alternatives from companies who enjoy tremendous economies of scale. Secondly, participants pointed out that in order to boost the security of a 5G network, there has to be a control over device manufacturing processes. Lastly, India should focus on the production of 5G-capable chipsets, as there exists a large pool of Intellectual Property (IP) and premier institutes like IIT Madras and IIT Hyderabad have successfully developed local alternatives to foreign OEM-made chipsets.

Assessment

Our assessment is that 5G is going to revolutionize every part of our lives, while also dramatically increasing the speed and accuracy of everyday communications. We believe that the biggest threat to India's future 5G network is not data theft but rather the disruption of 5G services, which will be integrated too deeply for most of our industries to function without it. We feel that the Indian government has to treat 5G networks like a national mission, much like how we did for our Atomic Energy and Space programs.



Data protection and beyond

At a Synergia forum on May 20, 2019, Justice Srikrishna discussed the future of Data Protection in India based on the recommendations of the expert committee he chaired.

Background

With over 460 million internet users, projected to grow to 636 million by 2021, India is the second largest online market in the world. Internet penetration has grown from 10% in 2011 to 26% in 2018. With the substantial rise in storage, aggregation and processing of data and amidst mounting concerns over the privacy of citizens, the country is moving towards digital governance in a big way. The challenge is to balance the protection of citizens and their rights with responsibilities of the states without hampering trade and industry.

Analysis

Indian internet users are dropping data everywhere; from phone numbers, email ids to biometrics and sensitive documents, internet companies have been scooping up all the data uploaded onto popular networking sites.

Justice Srikrishna feels that the issue of the Aadhar card is an interesting case. He refers to the 'Puttaswamy' judgement, a 200-300 paragraph judgement from the Supreme Court which says that although it is not enumerated in the Fundamental Rights, the right to data privacy is fast becoming an inalienable Fundamental Right for Indian citizens. The court still maintained that not all rights are absolute and are

subject to certain reservations. Justice Srikrishna was called by the Law and Justice Minister Ravi Shankar Prasad to lead a commission to explore the contours of the privacy laws regarding Aadhar. It was an illogical string of events, as the Justice believes that the law should have been passed first, following which Aadhar should have been implemented.

According to Justice Srikrishna, the commonly used phrase “Data is the new oil” is a misconstrued equation. Oil is property, in the sense that it can be sold by the owner of an oil well. However, data cannot be quantified as property in the sense that a person cannot sell his ‘data’ (name, id, numbers, physical attributes) to anyone else. The committee produced a white paper on the summary of the discussion and considerations of the committee, including a large number of public interactions. The report and draft bill were the two outputs of the committee, with the draft bill still held by the government before it struck into election mode.

Justice Srikrishna felt the European General Data Privacy Regulation (GDPR) adequacy test is a viable model for India to adopt. He also stressed on the importance of Data portability; much like the recently implemented mobile number portability capabilities in the country, data portability between different agencies, institutions and even individuals is a commercially viable system, although it is subject to technical feasibility.

He added that Consent to Use Data is the bottom line but the bottom line isn't the end of the concerns. “Thus far and no further” should be the motto of the adequacy test put into practice by the regulators. Justice Srikrishna brushed off concerns that the implementation of the Data Protection Act will create volatility, saying that a minimum of six months will be giving to establish the data regulators. Further, it will take an average of 2-2.5 years for the general public to feel the bite of the new Data Protection Act. Finally, he opined that the Data Protection Act is too complex to be put forward before the parliament immediately, and it may go on to a select committee of the parliament before being introduced in the house.

Assessment

Our assessment is that the Justice Srikrishna committee report has the potential to shape India's data protection laws for the foreseeable future if it is adopted a word for word. We believe that Justice Srikrishna has been the neutral voice in the committee, providing valuable insights from his illustrious career in order to prevent the misuse of all the data collected so far by the government and private companies. We also feel that the government should strongly consider the suggested amendments in the report which deal with the complexities of legal and ethical boundaries for law enforcement agencies when dealing with user data.



Contours for a resolution to the Kashmir conflict

The Synergia Foundation organised a roundtable discussion on “Contours for a Resolution to the Kashmir Conflict” on May 3, 2019. The event was chaired by Maj Gen Moni Chandi (Retd), Chief Strategic Officer of Synergia Foundation. The roundtable was attended by several experienced professionals including security experts, civil servants, service officers, business personnel and academics. The

objective was to bring policymakers, executives and experts from various fields to analyse the viability of a proposed solution to the Kashmir Conflict.

Background

Maj Gen Chandi is a retired Indian Army officer, and former Inspector General of the elite National Security Guard. The Kashmir conflict commenced in 1947 with the independence of India and Pakistan. In the last 72 years, there have been at least four overt conflicts and, since 1989, a systematically waged low-intensity conflict. This has reduced India's Jammu & Kashmir (J&K) to a police state. Consequently, there is a steady increase in intolerance within the youth and the gradual transformation of traditional Kashmiri Sufism towards Wahhabism. For most young people of the state, the history of the conflict is not as consequential as the need to move on; resolve the dispute and bring much-needed peace, development and economic prosperity.

Analysis

Kashmir has been a bone of contention for India and Pakistan since 1947, and no viable solution has been suggested till date. To focus the discussion on possible solutions, a game-theory approach was adopted. It was suggested that participants gauge end-states in terms of ‘zero-sum’ and ‘non-zero-sum’ gain.

The four Pakistan-based stakeholders are the Government of Pakistan; the residents of Pakistan Administered Kashmir (Valley) and Gilgit-Baltistan; and Pakistan-based Jihadi Organisations. The five India-based stakeholders are the Government of India; the residents of India Administered Kashmir (Valley), Ladakh and Jammu; and Kashmiri Pandits. Six end-states were discussed namely the Chenab Formula, Implementing the Accession, Independent Kashmir, Shimla Agreement, Autonomous Kashmir and the Andorran Solution. It was brought out that the first five end-states had ‘zero-sum’ gains and only the sixth end-state (Andorran Solution) provided ‘non-zero-sum’ gain.

The Principality of Andorra, between France and Spain, gained its autonomy in 1278. Around 1100, a dispute arose between the Count of Foix (in France), and the Bishop of Urgell (in Catalonia, Spain). This conflict was resolved in 1278, with Andorra's sovereignty shared between the Count of Foix and the Bishop of Urgell. Since then, Andorra has had protection from both France and Spain. The Andorran Solution recommends autonomous status to a unified J&K; however, the state would have no external personality with India and Pakistan being jointly responsible for foreign affairs and defence. The primary advantages of the Andorran Solution are; no loss of face to either India or Pakistan, no changes in the maps of India and Pakistan, conformity to Indian & Pakistani Constitutions, keeping with the spirit of the Shimla Agreement and the reunification of the peoples of J&K.

Counterpoint

However, there are some challenges to implementing the Andorran solution. Firstly, would politicians in India, Pakistan and J&K be mature enough to understand and accept the benefits the solution offers? Secondly, would some elements in Pakistani leadership that still want revenge for the defeat in the 1971 war, sabotage the peace proposal? Thirdly, would extremist elements in India's polity advocate for the segregation of the Kashmir Valley, in violation of our Constitution and the ‘Idea of India’?

Assessment

Our assessment is that the Andorran solution is a viable plan for the Kashmir Conflict. We believe that a plan based on the Andorran solution would allow the re-unification of the people of Kashmir, while bringing peace, development and economic prosperity to its youth. We firmly believe that the Paris Peace negotiations (1968-1973) held to discuss an end for the Vietnam War are a feasible model to address the complexity of the Kashmir conflict. However, we also believe that the stakeholders have to be mature enough to accept the terms of any solution agreed on and remain committed to its implementation. We also feel that the first step for all the stakeholders is to be willing to discuss and negotiate it as a potential solution.



No-deal Brexit: Not an option

Prime Minister May has announced her resignation as Conservative party head, paving the way for a new British PM to negotiate Brexit. What was Mrs. May's most significant challenge and is her successor likely to succeed where she failed?

Background

In June 2016, Britain voted to leave the European Union (EU), stunning Europe and the world. The EU employs a set of policies for its 28-member states that aims to ensure the free movement of people, goods and trade, among other services. Britain is deeply intertwined with the inner workings of the EU, especially with regards to trade. A no-deal Brexit means that the UK would leave the EU without an agreement about what their future relationship would look like. This is particularly important considering the deep commercial ties the two regions have. Prime Minister Theresa May's leadership in Brexit negotiations has been heavily criticised. She has been unable to form a consensus within the Parliament, or her Conservative Party, throughout Brexit proceedings. The official date for Brexit is currently expected to be October 31, 2019.

Analysis

Theresa May recently announced her decision to resign as Conservative party leader in early June, giving up her mandate to see the implementation of Brexit. Mrs. May was abandoned by the last of her allies, in large part because she was unwilling to lead the country into a no-deal Brexit. She will continue as PM till her party chooses a new leader, who is expected to be by the end of July.

In January 2017, Mrs. May made a policy speech in which she promised to break away from the EU's economic framework and exit the European Court of Justice. More importantly, she was willing to leave in March 2019, even if no agreement was secured pledging - "no deal for Britain is better than a bad deal for Britain." Hardline Brexiteers viewed the speech as a victory, bringing their thought into mainstream conservative thinking. Mrs. May consistently made this promise, strengthening the position that a no-deal Brexit was an option.

In the hopes of securing a stronger parliamentary mandate to make Brexit proceedings easier, Mrs. May called a general election three years early. The results of the poll caused the Conservative party to lose its narrow majority, forcing Mrs. May to form a minority government with the support of the Democratic Unionist Party of Northern Ireland. For the Irish party, a no-deal Brexit is not an option.

Northern Ireland's border with the Republic of Ireland is the only land border that the UK has with the EU. If the UK left the EU, restitution of tariff barriers between the regions would mean creating a physical border between Northern Ireland and Ireland. With the memory of the Irish Troubles still fresh, the Northern Irish party could not accept a hard border between the two regions. The issue of the Irish border also alienated Mrs. May's allies. After two years of deliberations, Mrs. May produced a solution called the Irish backstop, which would keep the country inside a customs union where Northern Ireland was subject to additional EU regulations.

This solution angered Mrs. May's foes and allies alike. In this scenario, Britain was neither entirely a part of, nor fully out of, the European Union. As political support for Mrs. May's plan dwindled, she attempted to court the Labour Party's votes. The Labour Party, the opposition, Mrs. May hoped, would support a plan that incorporated a softer Brexit. However, this effort was too little, too late. In late 2018, Mark Sedwill, Mrs. May cabinet secretary laid out the political and economic consequences of a sudden, no-deal Brexit. Around this time, Mrs. May's opposition to a no-deal scenario became more evident, alienating her allies further. As Mrs. May struggled to find consensus on her plan, Conservatives became more supportive of a no-deal exit.

Assessment

Our assessment is that Mrs. May's biggest challenge was to solve the Irish land-border issue caused by her pledge to consider a no-deal Brexit should other options fail. As other options failed, her refusal to carry out a no-deal exit led her to lose political support. We believe that Mrs. May's leadership proved to be uninspiring as she has prevaricated on several critical issues. Mrs. May's most significant failure was to publicly consider a no-deal Brexit without fully understanding its consequences. We feel that the next leader of the Conservative party is likely to support a no-deal Brexit. We believe that this position leads to the same problems that affected Mrs. May's government. Although the candidates are most likely to have a greater understanding of a no-deal exit than Mrs. May, it is unlikely that a no-deal solution is found for Ireland that would appease Brexit hardliners. We feel that it is in the best interest of Mrs. May's successor, and the UK, to build a consensus and secure a deal with the EU before October 2019.



India's electric two-wheeler market

India proposes a policy that electrifies most of its two-wheelers over a 6-8 year period. Considering the failure to incentivise the car industry with a similar strategy, is this new proposal likely to succeed?

Background

India has one of the world's biggest two-wheeler markets. India's rapidly urbanising population, increasing purchasing power, and the need for connectivity in cities have boosted this sector. In the first quarter of 2019, India sold over 21 million motorbikes and scooters. During the same period, it sold 3.3 million cars and utility vehicles, highlighting the popularity of two-wheelers. In 2013, the Government of India launched the National Electric Mobility Mission Plan (MEMMP) 2020 aimed at securing "national fuel security by promoting hybrid and electric vehicles in the country." In order to provide fiscal and monetary incentives, Indian authorities launched a scheme called Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME India).

Analysis

The NITI Aayog is expected to propose electrifying most motorbikes and scooters to curb pollution and reduce India's dependency on fossil fuels. The government-run

policy think tank will recommend a period between six to eight years to implement the proposal. The proposal is in line with the think tanks' goal to achieve the Sustainable Development Goals set by the UN. Details of the scheme have yet to be confirmed, although it also included the mandate to sell only electric three-wheelers from April 2023.

According to the Society of Manufacturers of Electric Vehicles, electric two-wheelers have accounted for only a fraction of total sales. However, sales over twelve months have doubled to 126,000 from 54,800 in the previous period. This indicates a desire by the market to adopt electric two-wheelers gradually. Current players in the market include Hero Electric and several startups, such as Ather Energy, Twenty Two Motors and Okinawa. The focus on electric two-wheelers comes after Prime Minister Modi's government set a target to electrify all new cars and utility vehicles by 2030.

The NITI Aayog proposal marks a shift in approach by the Indian government. The project, developed in cooperation with the Ministries of Heavy Industries, Road Transport and Power, is in line with India's status as the world's largest two-wheeler market. Indian authorities seek to learn from their mistakes in electrifying the car segment. The proposal offers incentives for the manufacture and sale of electric motorbikes and scooters while penalising the purchase of new petrol models.

Counterpoint

Similar to the problems that hinder the electrification of the car industry, the price viability of electric two-wheelers has yet to reach parity with combustion engines. Currently the electric two-wheelers on the market are relatively more expensive than their fossil-fuel alternatives. More importantly, although battery technology has significantly improved in recent years, it still requires development before it can truly compete with combustion engines. The lack of national infrastructure to augment electric two-wheelers (such as charging ports), means that the average consumer is unlikely to view the option as a viable one.

Assessment

Our assessment is that the proposal is likely to succeed, given that key players in the two-wheeler industry already field electric options or are currently developing them. We believe that in terms of securing India's national fuel security and climate future, the two-wheeler industry must be further incentivised by government plans and schemes to pursue electric technology. Considering the urban use of two and three-wheelers, charging infrastructure must be installed in cities first, to facilitate a transfer to electric options. We feel that attracting international players is essential to draw upon consolidated supply chains and service networks while competing at the cutting edge of electric technology. We believe that the NITI Aayog can play a significant part in driving this policy, while effectively cultivating consensus among the various state governments.



Pompeo visits Russia

US Secretary of State visits Russia for the first high-level meeting between the countries since the Mueller Report. With the Trump administration unlikely to take legal action for Russian election interference, is this a new chapter in the Russia-US relationship?

Background

The United States and the Soviet Union, the predecessor to the Russian Federation, were engaged in a competition for power following the Second World War. This period, known as the Cold War, saw a contest for supremacy in the military, economic and world affairs. The end of the Cold War and dissolution of the Soviet Union were touted as an end to this period of the competition.

Relations between Russia and the US deteriorated in 2014 when Russia annexed Crimea. It cited a controversial referendum for doing so. As a result, President Barack Obama and his EU allies unveiled a coordinated set of sanctions against Russia and ordered it to leave Crimea. Russia responded with counter-sanctions. Russia's alleged interference in the US Presidential elections has further caused tensions in the ties. Despite Russia's repeated denials, the US imposed harsh sanctions on Russia. The potential for conflict has escalated as Russia and America find themselves on opposite sides in Venezuela, Syria, Ukraine, Iran and several other issues, such as arms control.

Analysis

US Secretary of State, Mike Pompeo, recently undertook an official visit to Russia. He met with Russian Foreign Minister Sergey Lavrov at Sochi, hoping to find common ground on strategic issues around the world. In a joint press conference after the meeting, Mr. Pompeo called on Russia to end support for Venezuelan President Nicholas Maduro. Moscow rejected his call, with Mr. Lavrov saying that Venezuela's future must be decided by its people, calling American pressure on Mr. Maduro 'undemocratic'.

Regarding Iran, the statements made by both parties highlighted their differences. Russia specifically criticised the US' decision to unilaterally withdraw from the Joint Comprehensive Plan of Action (JCPOA), which was meant to temper Iran's nuclear program. Washington's decision to revoke key sanctions waivers on Iran also received Mr Lavrov's disapproval.

On Ukraine, Washington indicated that it would continue to oppose recognition of Moscow's annexation of Crimea. It would keep in place sanctions imposed on Russia following the seizure. Mr. Pompeo specifically called upon Moscow to free Ukrainian sailors captured by Russia, urging the country to work with Ukraine's new president to bring peace to the region.

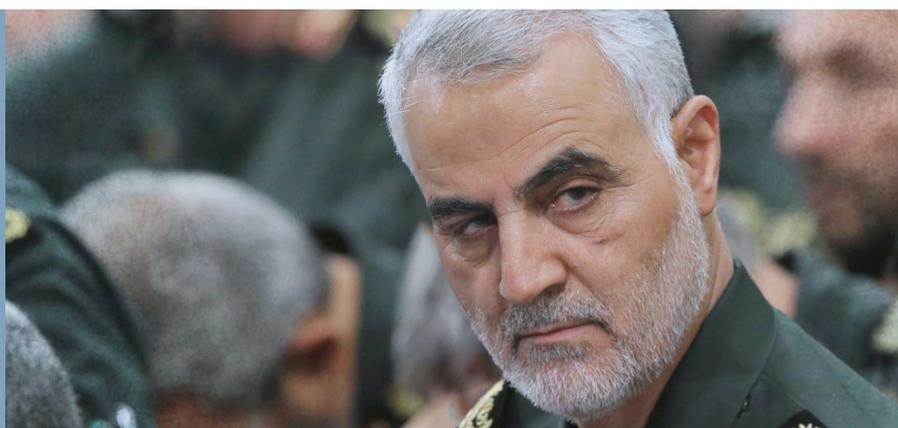
Arguably the most contentious topic for Mr. Pompeo was accusations that Russia interfered in America's 2016 presidential election. The visit by the Secretary of State is the first high-level contact between Moscow and Washington after US Special Counsel Robert Mueller submitted a report that investigated Russia's role in the 2016 elections. Analysts were carefully watching for Mr. Pompeo to deliver strong rhetoric against continued Russian interference in future American elections. Mr. Pompeo said that any such interference "would put our relationship in an even worse place."

Russian officials said that Mr. Trump and Mr. Putin are scheduled to meet on the sidelines of the upcoming G20 meeting in Osaka, although the US is yet to make a formal request. Previously, President Trump had cancelled talks with President Putin at the last G20 following a Russian attack on several Ukrainian ships.

Assessment

Our assessment is that the relationship will remain muted for the present. We believe that Russia and the US will continue to support opposing ruling dispensations countries like in Iran, Venezuela, Ukraine and Syria with diverging geo security interests. We feel that renewed contact between the US and Russia may yield some progress on arms control, even though the current situation in Iran is worrisome. We also believe that Mr. Trump might still desire to build closer ties with Mr. Putin, whom he had praised during the 2016 campaign.

We believe it is important to note that before Mr. Putin met Mr. Pompeo, he had visited a defence plant that produced new hypersonic missiles that America views as a threat. Although the Kremlin played down the timing of the visit as a coincidence, Mr. Putin intends to signal to America that Russian will continue to develop its missile capability as the strategic arms control treaties have been withdrawn.



Iran coordinates proxy wars with militias

A prominent leader of the Iranian Revolutionary Guard is believed to have met capable Shia militias in Iraq, telling them to prepare for a proxy war. The meeting is reported to have occurred before significant strategic and military activity was coordinated by America and its allies in the region. Is the threat posed by these militia groups serious enough to warrant such action by the US and its allies?

Background

President Donald Trump's administration has intensified pressure on Iran since 2018. The United States unilaterally withdrew from the JCPOA deal under which Iran agreed to halt its nuclear programme in exchange for lifting sanctions. Sanctions were re-imposed on Iran, targeting its oil, shipping and banking sectors. In 2019, the US announced that it would no longer exempt any countries from sanctions if they continue to buy Iranian oil. Analysts also believe Iran to be responsible for several acts of sabotage targeting the oil industries of the United Arab Emirates (UAE) and Saudi Arabia. The Quds Force is a unit of the Iranian Revolutionary Guard (IRGC) that specialises in hybrid warfare and intelligence while being responsible for Iran's 'extraterritorial' operations. The Quds Force supports many non-state actors in Lebanon, Yemen, Iraq, Syria, Afghanistan, Gaza and the West Bank. The US designated the Q- Force as a supporter of terrorism in 2007. In 2019, the US designated the whole of the IRGC as a terrorist group.

Analysis

Qassem Suleimani, the leader of Iran's Quds Force, recently met Iraqi militias in Baghdad, the Guardian reports. The report cites "two senior intelligence sources." Mr. Suleimani is believed to have told the militias to "prepare for proxy war." Mr. Suleimani has regularly met leaders of Iraq's Shia groups, although the sources say that this recent meeting was different; "It wasn't quite a call to arms, but it wasn't far off."

The primary militia that Mr. Suleimani met is Iraq's Popular Mobilisation Units (PMUs), an umbrella organisation of mostly Shia Muslims. PMUs are a government-sanctioned paramilitary force that has fought in every major battle against ISIS. The meeting's timing – ahead of a frenzy of military and strategic activity highlights its importance. US, British and Iraqi officials now fear that Iraq could become again become a theatre for conflict between the Washington and Tehran. The meeting coincided with America's decision to evacuate non-essential diplomatic staff from their embassies in Baghdad and Erbil.

The US is increasingly vocal about Iranian proxies in the Middle East. Recently, after a barrage of rockets were fired from the Gaza Strip into Israel, US President Donald Trump blamed Palestinian Islamic Jihad (PIJ) for the attacks. The PIJ is financed by Iran and is designated a terrorist group by most western countries. Israeli intelligence has systematically intercepted dozens of alleged missile deliveries. The Israelis fear an Iranian-run land corridor in place of the vacuum caused by the collapse of ISIS. Shia militia groups, such as PMUs, have been vital to the fight against ISIS and have built up significant military capabilities.

Counterpoint

The Trump administration's push to portray an imminent threat by Iran has not been unanimously accepted by American allies. A British general recently challenged such claims, in a rare deviation in military policy. The US' push to apply "maximum pressure" on the Iranian regime has therefore failed to gather support from some of its closest allies. This trend is likely to continue as most US allies, besides Israel, hope to continue the implementation of the JCPOA.

Assessment

Our assessment is that the engagement of Shia militia groups against ISIS has battle-hardened them, augmenting their capabilities, making them a potent threat to any military force, including the US. We feel that American intelligence estimates took this into account when escalating the threat levels of its US bases.

Israel, whom the IRGC considers its nemesis, is worried about Iranian troops close to its borders and is likely to go to great lengths to prevent this. As Tehran looks to negate Washington's economic sanctions and military posturing in the Middle East, we believe the potential for confrontation between the US and Iran is likely to grow. We feel that this threat is further amplified if Iran's 'extraterritorial' unit is able to coordinate with popular Shia military groups such as the PMUs.



Pakistan to get Saudi oil on deferred payments

Abdul Hafeez Shaikh, advisor to PM Imran Khan has indicated that Saudi Arabia will supply oil worth USD 3.2 billion per year on deferred payments for three years. Is Pakistan the new proxy battleground for Iran and Saudi?

Background

Saudi Arabia is diversifying its global economic linkages with China, Central Asia and South-East Asia. It increasingly perceives China – Pakistan Economic Corridor (CPEC) as a great opportunity in the emerging Southwest Asian geo-economic setting. Pakistan has been called "Saudi Arabia's closest Muslim ally." The country provides security support to Saudi in return for economic support. Pakistan has benefited enormously from Saudi Arabia's generous financial aid, the supply of oil on a deferred payment basis and aid during crises. Pakistan has taken 21 loans from IMF out of which 12 are bailouts. Pakistan has also received a total of USD 9.1 billion in financial aid packages thus far.

Analysis

Prime Minister Imran Khan's Advisor on Finance, stated that cash-strapped Pakistan will start getting the much-anticipated Saudi Arabian oil on deferred payments from July. "The Kingdom will supply USD 275 million oil to Pakistan on monthly basis from July," Shaikh said. He added that the facility will "strengthen Pakistan's balance of payments position", and thanked Saudi Crown Prince Mohammed bin Salman for "his continuous support for the people of Pakistan". Last year, Saudi Arabia agreed to provide a bailout package of USD 6 billion to help resuscitate Pakistan's troubled economy. In October 2018, the Kingdom had also agreed to establish a credit line

worth USD 3 billion for the sale of petroleum products on credit for three years to Islamabad and to give USD 3 billion in Pakistan's foreign currency reserves for a year. In the meantime, the Pakistani government has removed Finance Secretary Younus Dagher due to alleged differences with Hafeez Sheikh during negotiations with International Monetary Fund (IMF). Cabinet Secretary Naveed Kamran Baloch has been appointed as the new finance secretary while Maroof Afzal has been appointed the new cabinet secretary. Prime minister Imran Khan's government reached a preliminary agreement on a three-year \$6bn bailout with the IMF this month that comes with the requirement to implement harsh structural reforms.

The government of Pakistan fell short of broadening the tax base or privatizing state-owned companies as IMF hoped. In addition, the higher oil prices and growth demanded for more imports, widened the current account gap, and reserves began to slide as the currency was devalued multiple times. Due to this, it has failed to meet the conditions attached to its previous IMF loans. According to the IMF, Pakistan's growth, which hit 5.8 percent in the 12 months to end of June 2018, will slow to 4 percent in 2019 and to about 3 percent in the medium term.

Assessment

Our assessment is that Saudi Arabia is working to strengthen its position in the region following a rise in hostility between the US and Iran. We feel that the payment deferral is largely to keep Pakistan in the Saudi Arabia-US camp. If tensions spiral out of control, Saudi Arabia is likely to lean on Pakistan for security support. Also, the increasing Sunni fundamentalism, bordering on Wahhabism makes it an ideological ally of Saudi Arabia and a foe of Shia Iran. It can be noted that Saudi Arabia announced \$20 billion in infrastructure and energy investments in Pakistan's impoverished Balochistan region which lies along the 565-mile border with Iran. Saudi has also been accused of triggering unrest in the area which is home to Iranian Sunni anti-regime militants. Saudi Arabia is also interested in curbing Iranian influence in Afghanistan and needs Pakistan to contain Tehran's ability to influence events after the American withdrawal through its Tajik and Hazara allies.

Kunlun Station is China's largest base on Dome Argus. Beijing operates a research facility which includes telescope arrays for astronomical observations. Significantly, the site is geared towards monitoring space debris.

China's ASMA plan for Dome Argus has been met with push-back from the US. Reports suggest that the US has set up its own, temporary base about 100km away from Kunlun Station. Backed by America's long-standing Antarctic military programme - Operation Deep Freeze - the US base is trying to block China's ASMA plan. Reports suggest that the American station was established "overnight," by having personnel and equipment flown in by air. Beijing is likely to view the move as a precursor to more American activity.

Dome Argus is strategically located on the continent. Many satellites, including military and communication probes, use a polar orbit to maximise its global coverage, passing directly above Antarctica. It has a unique advantage in tracking and cleaning space debris. The US and China are currently pursuing the development of a powerful laser in Antarctica to clean up space debris. China operates at least six telescopes at its Kunlun Station. The cleaning of space debris using earth-based laser platforms necessitates larger telescopes and sophisticated optical systems. However, the Dome's difficulty of access makes delivering these platforms a logistical challenge, especially given their size and immense energy requirements. Dome Argus can be of particular use to target military satellites.

Counterpoint

The ATS forbids the commercialisation and militarisation of the continent, as a global commons. Developing a laser system or exploiting mineral resources is a violation of this covenant. Incidentally, Dome Argus is located within Australia's claim to the continent. Although some of China's telescopic components were developed at Australian universities, the two are unlikely to see eye-to-eye given recent tensions. The cost associated with inspecting Antarctic territorial claims is close to half a million dollars per base inspection. Australia's annual Antarctic budget is about US\$200 million.

Assessment

Our assessment is that the posturing between the US and China over the Dome is a battle of political will, demonstration of military power and global influence. Although the ATS prevents the militarisation of the Antarctic, the parties are likely to legitimise their actions as a research endeavour aimed at cleaning space debris. We feel that is aligned to President Xi's China space dream aimed at advancing its strategic interest with space technology. We believe that the development of its space program is linked to its long term plan to utilise space for its vast resource potential. We feel that China's past behaviour of staking claims to a territory based on "first presence," as well as historical revisions to include the South China Sea, does not assure that it will follow through on its commitments to recognise other stakes on the shared territory.



Google suspends activity with Huawei

In line with President Trump's executive order blacklisting Huawei, Google has suspended the Chinese company's access to Android updates. How would this impact the operations of Huawei in China and rest of the world?



The Dome of Argus

China and America are extending their geopolitical heft to an ice dome in the Antarctic. Why is Dome Argus at the centre of competition between the two countries in the South Pole?

Background

Dome Argus is the highest point on the Antarctic Plateau, believed to be the coldest naturally occurring place on Earth. Dome Argus is located near the centre of the continent, half-way between Lambert Glacier and the geographic South Pole. Dome Argus has the best weather conditions in the Antarctic, with low average wind speeds, a typically unrestricted astronomical view and little precipitation, while sheltered from fluctuating sea-levels 1,200km away. It is however inaccessible by helicopter, cut off by land during winter months and doesn't contain a wintering base. The Antarctic Treaty System (ATS) established the continent as a military-free zone in 1961 by the territorial claimant states; Argentina, Australia, Chile, France, New Zealand and the UK, along with several non-claimant states like USSR and US.

Analysis

China has the biggest presence on Dome Argus and was the first nation to reach the remote plain of ice at 4093 meters above sea level, in a land expedition in 2005.

Background

Huawei Technologies is a Chinese multinational networking and telecommunications equipment and services company headquartered in Shenzhen, Guangdong. It is the largest telecommunications equipment manufacturer in the world. In 2018, it became the world's second-largest smartphone maker, behind Samsung. The Chinese government has invested billions of dollars in Huawei, giving it a competitive advantage in the global marketplace. Under Chinese law, companies must co-operate with intelligence services. Analysts, therefore, warned that equipment produced by Huawei was compromised.

On 1 December 2018 the chief financial officer of Huawei's deputy chair and CFO Meng Wanzhou was arrested in Vancouver at an extradition request from U.S. authorities, on suspicion of violating U.S. sanctions against Iran. Ms. Meng is accused of conspiring to defraud HSBC and other banks by misrepresenting Huawei's relationship with the suspected front company, Skycom Tech.

Analysis

Google has suspended business activity with Huawei that involves the transfer of hardware, software and key technical services. Huawei will not be able to license the Android operating system complete with Google services and will instead have to use an open-source version. Google will also stop providing technical support and collaboration for Android and Google services. Google made the move in order to comply with Washington's decision to put Huawei on the so-called Entity List. "We are complying with the order and reviewing the implications," a Google spokesperson said.

Huawei responded by promising to continue providing security updates and after-sale services for its smartphones and tablets. "Huawei has made substantial contributions to the development and growth of Android around the world," it said. "As one of Android's key global partners, we have worked closely with their open-source platform to develop an ecosystem that has benefited both users and the industry." A spokesman for China's ministry of foreign affairs, Lu Kang, said Beijing would "support Chinese enterprises in defending their legitimate rights through legal methods". Huawei has previously said it is developing its own backup operating system in case it was blocked from using US software.

Assessment

Our assessment is that blocking the sale of critical components to Huawei could also disrupt the businesses of American companies. We feel that Google and other companies are under pressure in part because they will lose revenue when they cut off Huawei as a customer. It can be noted that due to the dearth of competitors capable of making 5G reliable and inexpensive, any hindrance to Huawei's production could slow the rollout and adoption of 5G technologies.

We feel that Huawei needs to deliver adequate app and operating system replacements if it wants to survive outside its native China. Even if Huawei is successful in developing the operating system called as HongMeng OS, it would still need to convince application developers to bring popular apps to its own store. It can also be noted that alternative chipmakers such as Infineon Technologies, one of Europe's largest chipmakers are not subject to US restrictions.

We feel that this decision could likely encourage China's desire to build more technology within its own borders. We also feel this will lead to the Balkanisation of the digital age - ie two separate internet that would each require different technologies in order to use them.

Fake News: Reality or distortion?

Case 1: Fake news and elections – an unbreakable combination

FireEye Inc., a cyber security firm has reported that several social media fake accounts impersonated political candidates and journalists to spread pro-Iran messages in the lead up to the 2018 US mid-term elections.

The accounts were used to create fake personas that had columns, letters and opinion articles published in the US and Israeli media, including the Times of Israel and the Los Angeles Times. Some of the personalities reported by FireEye were Republican congressional candidates Marla Livengood in California and Jineea Butler in New York. According to the firm, the content that was disseminated centred around support for the Iranian nuclear deal, as well as anti-Saudi, anti-Israeli and pro-Palestinian material.

Assessment

Our assessment is that during elections in a country, fake news is bound to increase exponentially. Despite fake news debunking, misinformation will have a deep impact on society. We feel that such spins and doctored news will impact electoral views as international affairs become more a matter of perception. Hence, we feel that there is a need to build counter-narratives quickly to combat the spread of fake news.

Case 2: False and misleading videos during EU elections

In the heated EU elections, BBC Reality Check and BBC Monitoring examined and observed that fake news played a significant role during campaigning. Under the Twitter hashtag #euelections2019 a video circulated of a man attacking a statue of a woman, which was falsely described to have taken place in Italy. The video showed that a crowd had gathered around the statue as the man used a hammer and chisel to deface the female figure. Incidentally, the caption of the video read: "A muslim #migrant destroying a statue in #Italy, because part of the body is showing. #Europe does not know what is coming their way in the next 5 to 15 years."

However, in reality, the incident did not take place in Italy - the statue in the video was part of the Ain El Fouara fountain in Setif, Algeria. This was covered in many mainstream news outlets such as The Egyptian television station, news agency Agence France Presse (AFP) and TV network France24 in December 2017.

Assessment

Our assessment is that though the campaigning is vital during elections, people involved in this process must be extra vigilant with regards to the provocation of fake news. We believe that it is essential to identify the source of such news to solve or prevent it from spreading further. However, we feel that combating fake news is complex as it is difficult to distinguish between objective truth and subjective interpretation.

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