

## FSC SITUATION REPORT (JUNE 2019)

### STATEMENTS FROM HEADS OF STATE (2019)

**USA-** in recent times the USA has withdrawn itself and reduced its involvement in several economic agreements such as the TTP, TTIP, NAFTA as well as reduced its commitments in defense militarily in organizations like NATO as a result of the alleged disproportional burden placed upon the nation by these agreements. However an unintended consequence of these actions by the Trump administration has been the increased isolation of America in the sphere of geopolitics and a growth of dependence in China especially within east Asia. As a means to retain significant within the region of east Asia the USA has taken several controversial actions namely the mobilization of its fleet to near Japan and the Yellow Sea as well as more openly recognizing the Taiwanese government.

**China-** over the past 2 years China has capitalized on the increased isolation of the USA by partaking in trade and diplomatic agreements within the region so much so that the AIIB outstrips the ADB and WB in terms of investment in Asia, further several nations such as Vietnam and Philippines strictly opposed to the Chinese expansion within the region now have agreed to sort these matters out bilaterally. Further the nation of China has boosted investment in Africa competing with the USA as the biggest source of FDI in the continent but whereas American FDI is mainly through MNC's the Chinese government has developed substantial political agreements within the nations they invest in. In addition to this China's recent re-orientation of its economy has passed and its growth and stock markets have stabilized and the increased robust nature of the Chinese economy has allowed economic links between the EU and its self strengthen further stabilizing the EU economy as well. Moreover China continues to maintain an military presence within the South China Sea as well as remains ambiguous over the intentions of the the 9 dash line.

**UK-** the British Pound has plummeted after the announcement by Ms. May that the UK has enacted article 50, there has been a steady and steep decline in FDI within the nation since the referendum to leave the EU over 2 years ago however the British government ensures its people that the economic hardship will be short lived and is merely a response of speculators that underestimate the resilience of the British economy. Economic matters aside it has been the UK that has attempted to fill the void of reduced American involvement in NATO by increasing its spending on the military as well becoming increasingly vocal on the significance of NATO as a peacekeeping body and how the UK is wary of the weakening of the organisation in its role.

**Germany-** Germany has long been the voice and leader of the EU and has contentiously believed that a BREXIT will set a precedence for other nations to follow suit. As a proponent of the ideal that economic stability breeds political stability the prospect of other nations leaving the EU along with the UK has threatened the stability and security of the region believes Germany. As a result Germany has pushed for a very bare agreement in terms of free trade with the UK in order to dis-insensitise other nations following in the British footsteps. Further Germany has stated that with NATO as the chief barer of responsibility of security over the EU and to have so many of its main interests lie outside the region may become a detriment to EU security and has lead the proposal for an EU army post BREXIT.

**Russia-** over the past 2 years and especially since the end of the Syrian civil war Russia has steadily rebuilt itself as one of the worlds largest and strongest military forces, and has kept a steady political stance in relation to both the South China Sea and its relations with the the EU.

