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Asian Insider

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US-China spat
HEATING UP



A growing battle of words between the United States and China heightens concern of a Cold War but US President Donald Trump and his China counterpart Xi Jinping seem focused on winning the trust of their people. Will pragmatism prevail or will there be an accidental flashpoint?

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Race for a Covid-19 vaccine

BILLIONS OF DOLLARS ARE BEING INVESTED BY governments, pharmaceutical companies and other investors in the race to develop a vaccine.

Historically, just 6 per cent of vaccine candidates end up making it to market, often after a long process that could take years. But right now, the chase is on to make one available in the market as soon as possible, with the number of coronavirus cases exceeding six million and the tally of those dead now over 390,000.

There are currently 176 vaccine candidates in development, according to a Covid-19 vaccine development tracker developed by the London School of Hygiene & Tropical Medicine; 18 planned and ongoing human trials are in motion, with three active human clinical trials for non-replicating viral vector vaccines being

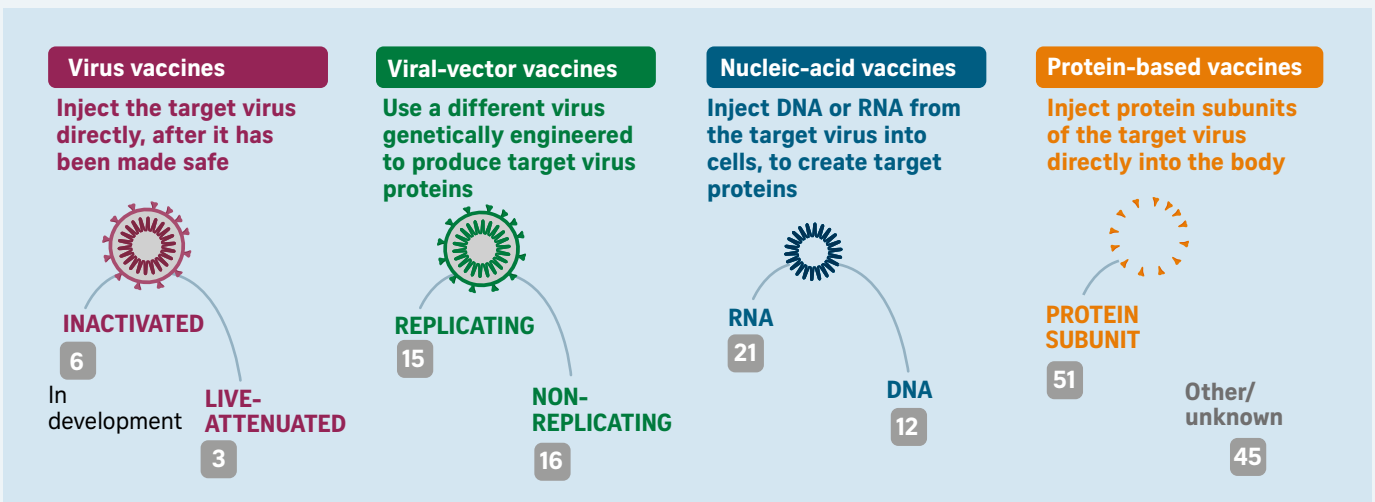
conducted in Britain and China.

The first human trial for a vaccine, named Ad5-nCoV, was conducted in early March by Hong Kong-listed biotech firm CanSino Biologics Inc. Although the trials showed both neutralising antibodies and T-cell responses against the novel coronavirus in most of those tested, further studies will be needed to confirm whether the vaccine protects against infection, reports Reuters.

In the Republic, Duke-NUS Medical School in Singapore and the United States-based Arcturus Therapeutics are now conducting pre-clinical studies on a vaccine candidate they have developed. If the vaccine is seen to be safe in animals, it will be tested next on healthy adults. [ST](#)

Here's a look at the types of vaccines being developed. All are aimed at safely triggering the body's natural immune response to SARs-Cov-2

Four main approaches



Development stages

As of June 1

	Pre-clinical	Phase I	Phase I/II	Phase II	Phase III	Licensed
RNA	•••••	•	•	•		
DNA	•••	•				
Non-replicating	•••••		•	•		
Replicating	•••••					
Inactivated	•••		•			
Live-attenuated	•••					
Protein subunit	••••••••••		•			
Other/ unknown	••••••••••	••	•			
			BioNTech Fosun Pharma, Pfizer	CanSino Biologics Inc. Beijing Institute of Biotechnology		
			University of Oxford			
			Sinovac			
			Beijing Institute of Biological Products			
			Wuhan Institute of Biological Products			
			Sinopharm			

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Eric Ng
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Tommy Ong
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For advertising enquiries:
Mandy Wong
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Teams/Jobs
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Circulation & subscription:
Sofia Wang
Executive
sofwang@sph.com.sg

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4 Cover Story

China the new spectre in the 2020 presidential campaign

US-China ties: Echoes from the Boxer Rebellion



13 Special Report

Hong Kong caught in game of chicken between US and China

Fear of foreign interference looms large in China's version of HK law

19 East Asia Watch

Wiping out poverty by year-end remains China's goal despite virus, economic woes

China drops GDP target this year amid uncertainties caused by coronavirus pandemic

Moves to mend Sino-Japan ties hit by Covid-19



contents

43

Special Feature

A city at a standstill: Singapore like you've never seen before

ST PHOTO: MARK CHEONG

24

Special Feature

The Science of Covid-19

Most Covid-19 patients not infectious after 11 days: Study

15 frightening facts about Covid-19

32

Trade Watch

Disruption of supply chains

37

Country Report

Knockout blow needed to end Muhyiddin-Mahathir fight

India's \$3.8b plan to revamp Delhi area housing government buildings fuels criticisms

Bargain holidays for Vietnamese as focus turns to domestic tourism

47

Business Trends

Covid-19 pandemic hastens Smart Nation drive

50

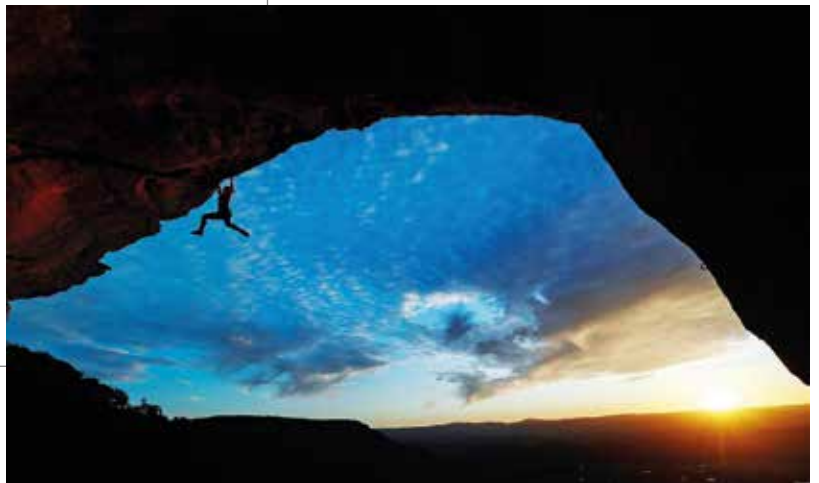
Lifestyle

Board gaming goes online

52

Big Picture

Reaching new heights



US-CHINA

The United States and China have been sparring with words more intensely than before. Here's an insight from both countries.



PHOTO: AFP

THE U.S. VIEW

China the new spectre in the 2020 presidential campaign

NIRMAL GHOSH
US Bureau Chief



✉ nirmal@sph.com.sg

For Trump, blaming China and WHO deflects anger as Americans face record unemployment

JUST AS UNFAIR TRADE AND ILLEGAL immigration from Mexico were key rallying cries in 2016 for then presidential candidate Donald Trump, who tapped into longstanding grievances, China is the new spectre in the 2020 presidential campaign.

But while tapping into a vein of fear of foreigners or foreign powers surfaces periodically in American life and politics, there are also fundamental differences.

Mexico is not a strategic rival to the United States. China is. And this time, there is bipartisan agreement that China represents a threat to US global dominance.

While the Democratic Party is flaying President Trump for his administration's response to the coronavirus pandemic – which, as of the morning of

June 4 in the US, had killed more than 109,000 people – it is also trying to sound equally tough on China.

And the ground is fertile. Public perception of China in America has turned steadily negative under the 3½ years of the Trump administration.

President Trump's response to China's new national security law to cover Hong Kong is just part of a wider pushback against China, in line with the administration's identification in its 2017 National Security Strategy (NSS) of China as a strategic competitor.

Chinese President Xi Jinping's grand strategy is to “achieve a favourable set of rules and a Sino-centred security architecture”, Dr Patrick M. Cronin and Mr H.R. McMaster, the Asia-Pacific security chair and Japan chair respectively at the conservative Hudson Institute, wrote in a paper released on May 29.

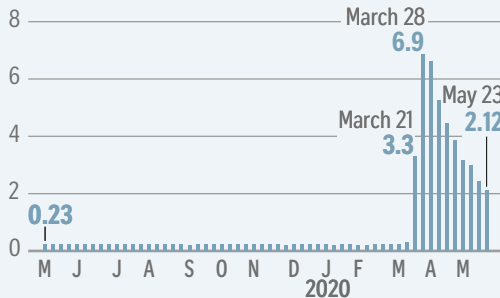
Mr McMaster is a former general who, as President Trump's then National Security Adviser, oversaw the 2017 NSS.

“Beijing wants to wield a veto over military and

US job losses at Great Depression level

Weekly unemployment insurance claims
Seasonally adjusted data in millions

More than 40 million layoffs since mid-March



Source: US Department of Labor

Trump's handling of the coronavirus

Poll average in per cent



Source: RealClearPolitics.com

economic decisions while displacing the US alliance system and neutralising any latent coalition that could prevent it from getting its way, whether over forcible unification with Taiwan or coercion of its maritime neighbours," they wrote.

The best option for the US was to strengthen its alliances with other regional powers like Japan and South Korea, they said.

Hawks in Congress have, meanwhile, been passing a stream of legislation aimed at limiting China's reach and influence in the US, and punishing Chinese officials involved in China's actions in Tibet, Xinjiang and the South China Sea.

The US has put pressure on allies to reject 5G technology from Chinese telecoms giant Huawei.

And it has given its Committee on Foreign Investment in the United States more powers to scrutinise and reject Chinese investment in potentially sensitive technology sectors.

The US is also suspending visas for mostly doctoral and post-doctoral Chinese students deemed to "operate as non-traditional collectors of intellectual property".

Mr Trump is "dismantling China's ability to use graduate students to steal intellectual property and technology from the United States", the White House said in a one-page brief on May 29.



"China's theft of American technology, intellectual property, and research threatens the safety, security and economy of the United States," the White House document said. "President Trump is ensuring that our nation remains militarily and technologically dominant."

"We understand that China is a strategic competitor," State Department spokesman Morgan Ortugas told The Straits Times.

"That doesn't mean that we won't have plenty of areas in which we can work together," she insisted.

"We have worked together on... North Korea. We still have a lot of American businesses that are doing business in China. We have the President's phase one trade deal. So nothing in foreign policy is ever black and white."

For Mr Trump, the immediate concern, looming large, is the Nov 3 election.

Unemployed hospitality and service workers who have not received unemployment cheques protesting in Florida after the closure of all non-essential businesses due to the coronavirus pandemic. PHOTO: AFP

Recent US offensives against China this year

- 1 US President Donald Trump has increasingly attacked Beijing's handling of the outbreak as the fallout from the pandemic on the American economy becomes more pronounced. In late April, Mr Trump threatened China with fresh tariffs, saying he had seen evidence linking a Wuhan lab to the contagion. In mid-May, Trump told Fox News that there were "many things we could do" to China, adding that he does not want to talk to China President Xi Jinping
- 2 In April, Mr Trump suspended funding to the World Health Organisation after accusations that the agency had been overly reliant on disclosures from China about the virus. US-WHO tensions escalated further in May when Mr Trump announced that the US will end its relationship with the World Health Organisation.
- 3 On May 29, US President Donald Trump announced a series of measures that included revoking Hong Kong's preferential treatment as a customs and travel territory from the rest of China. He added that the policy change will affect the full range of US-Hong Kong agreements from extradition to export controls, with few exceptions. The US will also sanction mainland Chinese and Hong Kong officials involved in "absolutely smothering" Hong Kong's freedom, and the State Department will revise its travel advisory for Hong Kong to reflect the "increased danger of surveillance and punishment by the Chinese state security apparatus", said the President.

Before the coronavirus pandemic landed in America, the economy was booming. Mr Trump could claim his trade war on China forced Beijing to sign a new phase one trade agreement in January, which secured better terms for the US.

Pundits were reluctant to dismiss the idea of Mr Trump getting re-elected, especially as an incumbent with a strong economy has an inherent advantage.

The pandemic upended that. Millions of more Americans sought unemployment benefits, with initial jobless claims tolling over three million, for the week of May 2.

For President Trump, blaming the World Health Organisation and China deflects and channels anger

and frustration as Americans struggle under record unemployment.

The direction of the China-US relationship remains “precipitously negative on pretty much every front, and there are a lot of them”, Dr Ian Bremmer, chief executive of political risk consultancy The Eurasia Group, told The Straits Times.

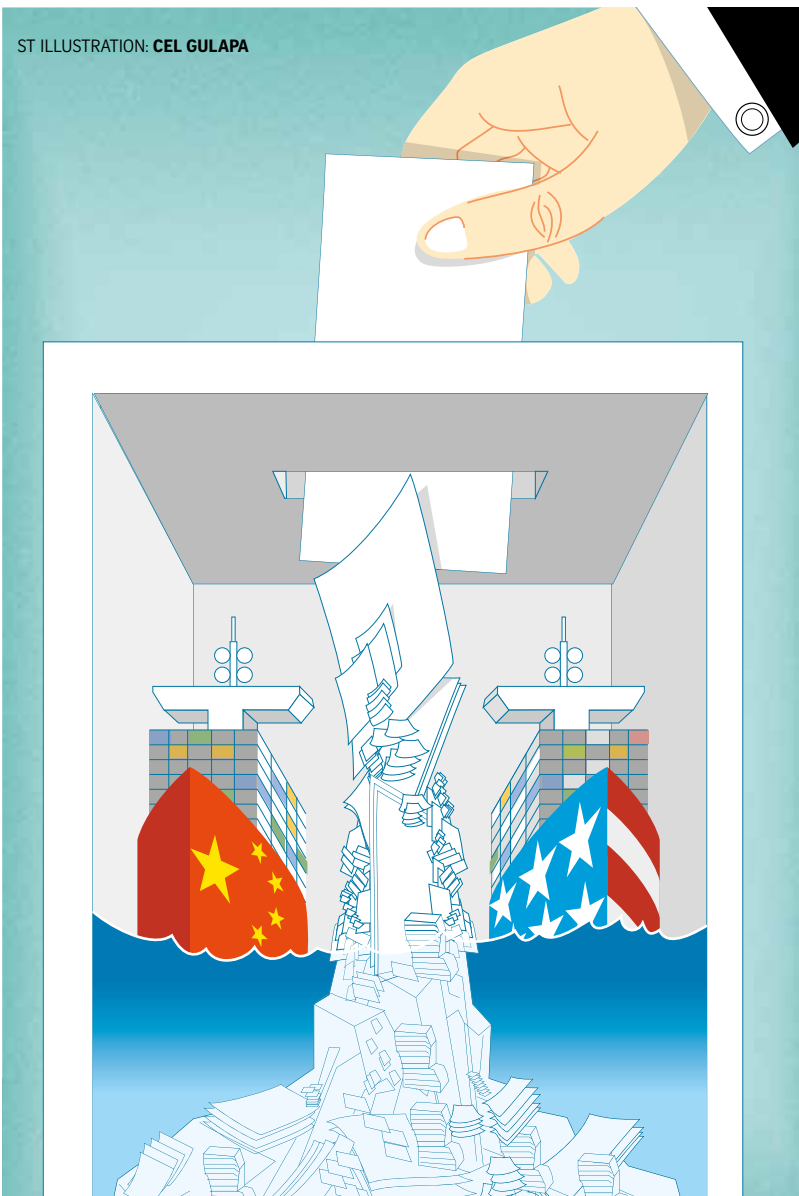
Yet, President Trump on May 29 did not mention the phase one trade deal, or go after President Xi personally, Dr Bremmer noted. “For now, this is still incremental escalation, even though the rhetoric is extremely sharp.”

But, he cautioned, “we’ve still got a number of months to go before the election.” [S](#)

US election 2020: The campaign, coronavirus and China

There is an inverse relationship between economic recovery and American action against China

ST ILLUSTRATION: CEL GULAPA



STEVEN OKUN



WELCOME TO THE CORONAVIRUS CAMPAIGN, now starring China.

President Donald Trump’s best chance to win in November hinges on a V-shaped (V for victory) economic rebound and the American people having confidence in his leadership in responding to the pandemic.

Hedging in case the V remains elusive, Mr Trump already predicts the fourth quarter will see a healthy bounce (his “transition to greatness”) and 2021 will witness a blockbuster economic recovery, both of course conveniently post-election.

When it comes to the market, he will follow the same modus operandi he has for his entire term: claim credit for ups and deny blame for dips.

At the same time, he and his campaign will engage in a scorched-earth attack blaming anyone he can for the condition in which the country finds itself: Joe Biden, Barack Obama, Nancy Pelosi, Chuck Schumer, the deep state, the media, Never Trumpers and ... China.

THE CHINA CONSENSUS

While voters purport to care about foreign policy, when it comes to presidential elections, the United States economy and idiosyncratic domestic issues such as gun rights and abortion invariably override global matters.

In this election, however, there is one issue that aligns foreign and domestic policy concerns – China. Republicans and Democrats agree action needs to be taken against China for its job-destroying unfair trade practices and its lack of immediate transparency during the Covid-19 outbreak.

Both Mr Biden and Mr Trump talk tough on China – and believe it. Both claim their respective policies will be more effective than the other’s in protecting American interests. It’s more than just politics and campaign rhetoric.

Mr Trump’s anti-China credentials are a given. To show he can be just as tough, Mr Biden takes positions on China much different from the “accommodate and engage” bipartisan approach to Beijing from President Jimmy Carter through the beginning of the Obama administration.

Mr Biden can take no action against China unless he wins in November. As President, Mr Trump has no excuse for inaction.

TRUMP’S CHINA CHALLENGE

Balancing the intersection of rhetoric and policy will be a tough challenge for President Trump.

For the next six months, he is likely to take action against China in a way that is high profile – such as adding more Chinese companies to a blacklist that restricts their access to American technology – but stops short of escalating matters to the point of derailing the chances for a robust US economic recovery before Election Day. Mr Trump won’t admit it, but he has good reason to pull his punches against China. Anything that dims the prospects for his hoped-for economic recovery puts at risk the thing most important to him – a second term in the Oval Office.

It is not surprising then that White House economic adviser Larry Kudlow said this week that while Mr Trump is “miffed” with Beijing, the US-China Phase One trade deal reached in January remains intact.

THE HONG KONG FLASHPOINT

China’s National People’s Congress (NPC) has passed a resolution on enacting a national security law for Hong Kong, which will be added to the annex of the city’s mini-Constitution, the Basic Law. Passage of the new law is a given but it will take months for its details to be crafted and the measure implemented. The move is hugely controversial and has revived street protests in Hong Kong, where many see it as China breaking its promise to allow the territory to maintain its autonomy as promised in the handover agreement with Britain.

Since 1992, the US has given Hong Kong a special status in which it treats it separately from mainland China on matters of trade and economics, so long as China preserves Hong Kong’s autonomy.

Last year, in response to the crackdown on protests, the US Congress passed the Hong Kong Human Rights and Democracy Act, which requires an annual review to determine whether changes to Hong Kong’s political status justify changing its trade status. With the NPC’s move on the new national security law, US Secretary of State Mike Pompeo says “Hong Kong does not continue to warrant” the same treatment under US law.

The response to this finding lies totally within

the discretion of the US President. Mr Trump has a wide range of potential responses.

But plenty can happen between now and the election in November if Mr Trump makes it so.

A BAD ECONOMY MAKES RETALIATION MORE LIKELY

The ongoing trade war taught China it cannot rely on the US for its technology. The US learnt from the pandemic it should not rely on China for certain pharmaceuticals and other essential and strategic goods. While seemingly inevitable, this sort of decoupling takes time.

While the trajectory of the relationship is set for the long term, predicting the short term is far more elusive, especially in a presidential election year.

Mr Trump’s best chance to win re-election is for the economy to rebound in the short term. So long as that hope exists, he will be reluctant to take action which would extinguish it.

China purchasing US goods and living up to its Phase One commitments, even if just in part, helps to improve the strength of any US economic recovery. And China knows this.

The more likely the US may recover economically before Election Day, the less likely any action from Mr Trump to lessen that from happening.


If, on the other hand, the US is headed into a deep recession by then and no action Mr Trump takes against China will make a difference in terms of economic recovery because it is a lost cause, then Mr Trump will take tougher economic measures against China and not just seriously ramp up the rhetoric.

A CLOUDY CRYSTAL BALL POST-ELECTION

In the “President for Life versus President Only Guaranteed One Term” power struggle, the short-term political equation for each side contains similar variables.

For Mr Trump, a strong economy increases the likelihood of him winning in November. China has its own version of domestic politics. President Xi Jinping, too, needs his economy to do well to offset any internal dissension. But he also needs to show strength in dealing with Hong Kong for his domestic political constituency as well.

Mr Xi’s calculations could be that to offset his government’s aggressive actions on Hong Kong, which anger the West, delivering on the Phase One trade deal helps Mr Trump with his own domestic politics which mitigates retaliation over Hong Kong.

The US and China may avoid entering into a new Cold War through November because it remains in both leaders’ interests to do so. After the election, however, all bets are off. 

Steven R. Okun served in the Clinton administration as deputy general counsel at the Department of Transportation. He is a senior adviser for global strategic consultancy McLarty Associates and a governor of the American Chamber of Commerce in Singapore.

Mr Trump’s anti-China credentials are a given. To show he can be just as tough, Mr Biden takes positions on China much different from the “accommodate and engage” bipartisan approach to Beijing from President Jimmy Carter through the beginning of the Obama administration.

”



THE CHINA VIEW

Paramilitary Police officers marching near a poster of Chinese President Xi Jinping. When push comes to shove, China will punch back, and with more force than that from a band of Boxers armed with swords, spears, shields, prayers and magic rituals, says the writer. PHOTO: REUTERS

US-China ties: Echoes from the Boxer Rebellion

The romance between the Middle Kingdom and the Beautiful Country has had its ups and downs. Covid-19 is pushing the relationship into a dangerous new cycle.

AT THE HEIGHT OF THE BOXER REBELLION IN 1900, China's Empress Dowager Cixi, the power behind the throne, declared war simultaneously on Austria-Hungary, France, Germany, Italy, Japan, Russia, the United Kingdom and the United States, which had their collective eyes on further carving up the Middle Kingdom.

The Eight-Nation Alliance sent troops to China's capital, crushing the Qing dynasty-backed Boxer Rebellion, a xenophobic secret society – known in Chinese as the “Fists of Righteousness and Harmony” – whose adherents practised martial arts and performed rituals that purportedly made them immune to bullets.

After the Boxers and Qing troops were defeated, China signed the Boxer Protocol in 1901 in which it was to pay 450 million taels of fine silver (about 18,000 tonnes) as indemnity over a course of 39 years to the eight powers – a devastating blow to

the Chinese economy. The Qing never recovered and was toppled in 1911.

In a munificent move in 1908, then US President Theodore Roosevelt's administration used the remaining part of America's share – 7.32 per cent of the total indemnity – to grant scholarships to Chinese studying in the US and set up a preparatory school for US-bound Chinese students, Tsinghua College, which later became a university and is now known as China's Massachusetts Institute of Technology.

Tsinghua counts among its alumni President Xi Jinping and his immediate predecessor Hu Jintao, both of whom attended their alma mater's 100th founding anniversary in Beijing in 2011.

The goodwill gesture was tantamount to the US waiving its rights to war reparation from China. To this day, some Chinese are grateful to the US, but others are of the view that it was China's money in the first place and that the Boxers were merely trying to drive out foreign invaders.

“We students and alumni are cognisant of our school's history,” said Tsinghua journalism student Lynn Lin. “It was very astute on the part of the US, which was the only one of the eight powers to do so. It cultivated many Chinese talent, but at the same time also exported American culture and values to China.”

This export accelerated after 1978, when China launched its economic reforms and opened up to

BENJAMIN KANG LIM

Global Affairs
Correspondent



✉ blim@sph.com.sg

the outside world again. Mao suits have since given way to jeans, business suits or shirts. Starbucks, Coca-Cola, McDonald's burgers and KFC chicken are now part of China's lifestyle, as are Hollywood movies and music. US degrees are a status symbol. More than three million Chinese have studied in the US in the past four decades. In the academic year 2018-2019 alone, a record number of almost 370,000 Chinese pursued studies there.

But in recent times, the gloss is coming off this phase of the relationship. An increasingly acrimonious trade and tech war in the past year was especially corrosive. And now we have Covid-19.

BEAUTIFUL COUNTRY

It is unclear who translated America into Chinese as "beautiful country" (mei guo), but it has been referred to as such since the waning years of the Qing dynasty.

Despite that positive appellation, relations between China and the US have see-sawed since the 1949 communist revolution, reaching a nadir when both sides fought each other during the 1950-1953 Korean War. It was not until the landmark visit of US President Richard Nixon in 1972 that rapprochement began. A decade-long diplomatic honeymoon followed Washington's switching of recognition from Taipei to Beijing in 1979. Then it all fell apart when the Chinese army put down the 1989 Tiananmen pro-democracy protests.

Things looked up again when, with the blessings of the US, China joined the World Trade Organisation in 2001. Bilateral trade boomed, but sowed the seeds of today's troubled ties as China's trade surplus with the US grew and grew. For about three decades, China looked up to and learnt from the US on the economic and financial fronts; that came to an end during the 2007-2008 global financial crisis, which exposed the weaknesses of the American system.

TWIST OF HISTORY

Two sexagenary cycles after the Boxer Rebellion – 60 years are historically one cycle for reckoning time in China – the US and China are mired in another kind of war: a blame game amid an escalating war of words over the coronavirus pandemic, which has spread across the world since first surfacing in Wuhan, provincial capital of Hubei in central China, last December.

In an ironic twist of history, some US members of Congress are seeking compensation from China for losses from the outbreak.

Senator Josh Hawley, a Republican from Missouri, and Representative Elise Stefanik, a Republican from New York, have introduced a bicameral resolution, calling for a "full, international investigation" into the contagion and demanding that China be held accountable and pay an unspecified amount as compensation.

Representative Jim Banks, a Republican from Indiana, told Fox News that Beijing should forgive

US debt and face trade tariffs for its role in the global spread of Covid-19. China has bought more than US\$1 trillion (\$1.4 trillion) in US debt in the form of Treasury bills, notes and bonds.

A lawsuit filed in a federal court in Texas seeks a staggering US\$20 trillion from China. Similar lawsuits have been filed in Florida and Nevada, but law experts cast doubt about their viability.

"The case for Chinese liability for Covid-19's consequences seems less about international law than how the geopolitical rivalry between the US and China has shaped the politics of this pandemic," Professor David Fidler of the Council on Foreign Relations, a US think-tank, wrote on the Just Security website.

Bilateral relations are at their lowest ebb since normalisation and are likely to get worse before they get any better.

For Beijing, the US has been anything but kind to China from the outset of the coronavirus outbreak. When Wuhan, a city of almost 11 million, was locked down on Jan 23 in an unprecedented move, some US politicians, academics and media condemned the measure as draconian.

And yet despite obvious signs of the severity of the disease – reflected in the increasingly tough measures China had to take in sealing off the country to contain its spread – Western countries took little preparatory action on their part in the lead time they had against a virus that respects no borders.

IMMUNE TO CORONAVIRUS?

"The Boxers thought they were immune to bullets. Maybe the US and Europe thought they were immune to the coronavirus," a retired Chinese government official, requesting anonymity, told The Straits Times.

He also took issue with the demands for compensation; going by that logic, shouldn't the US retroactively pay compensation for the 2009 H1N1 pandemic, he asked.

The congressional resolution is not China's only distraction.

The International Council of Jurists and All India Bar Association have joined the fray, filing a petition with the United Nations Human Rights Council

That the Chinese government has succeeded in building a powerful economy and now in suppressing the spread of Covid-19 raises questions as to the superiority of Western democracy over the Chinese Communist Party's authoritarian system.



CHINA'S PRIORITIES

FOR NOW, IT WOULD APPEAR THAT CHINESE LEADER XI JINPING WILL let US President Donald Trump's provocative words slide, preferring to emphasise "mutual respect" and cooperation instead.

Mr Xi's restraint has its limits but as Covid-19 continues to rampage across the world, ravaging economies big and small in its path, engaging Mr Trump in a war of words is not likely to be on his priority list. What matters more is the health of the Chinese economy.

Although China looks to have got over the worst of the outbreak, the pandemic has left its economy weakened. Its recovery depends on a conducive global environment. At this stage, it makes no sense to stoke hostility with its biggest trading partner. As Mr Xi told Mr Trump in their phone call in March, "fighting would end in both sides being injured".

– Benjamin Kang Lim



Wall Street Journal reporters Stu Woo, Julie Wernau and Stephanie Yang heading into the security area at Beijing Capital Airport before departing China. The three were among a number of reporters forced to leave the country. PHOTO: AFP

seeking reparations from China and accusing Beijing of “surreptitiously developing a biological weapon capable of mass destruction.”

Global lawsuits against China for breaching the International Health Regulations could run to at least £3.2 trillion (\$\$5.7 trillion) from just the nations of the Group of Seven, according to the Henry Jackson Society, a conservative British think-tank.

Some critics want to take China to the International Court of Justice, but it would be an uphill struggle.

“There is no precedent for this. No state paid compensation for Mers, Sars, Ebola and H1N1,” Chinese lawyer Steven He said, referring to infectious diseases in recent decades.

“This is a manifestation of anti-globalisation. There is a need for some foreign governments to shift criticism for their bungling of the epidemic to China,” he added.

For Beijing and many Chinese, it is hypocritical of the US and European countries to blame China for the devastating impact of the virus on their countries.

“Those in (the) West indifferent to China’s early pain now blame China for their loss,” read a headline in the Global Times.

Furthermore, little was known about the new virus in the weeks after it first surfaced. It would have been difficult for China to issue an early alert on how contagious or deadly it was in the early days even if it wanted to. As Chinese Foreign Minister Wang Yi told Reuters in February: “It takes time for people to gain more understanding and knowledge about it.”

XI AND CIXI

Seen from China’s perspective, the assaults it is facing from the US and other Western countries are driven by short-term calculations – US President Donald Trump faces an election in November and needs a scapegoat for the consequences of his disastrous mismanagement of the crisis – as well as fundamental political differences.

America’s political elite has become increasingly frustrated that China did not become a liberal democracy after the fall of the Soviet Union in 1991. That the Chinese government has succeeded in building a powerful economy and now in suppressing the spread of Covid-19 raises questions as to the superiority of Western democracy over the Chinese Communist Party’s authoritarian system.

This belief that the Chinese system is somehow fundamentally flawed perhaps explains the vehement attacks along the lines of cover-ups, official obfuscation and violations of human rights, without acknowledging that the Chinese success in containment of the virus may have less to do with ideology and more to do with effective mobilisation of resources and a willingness to undertake tough but necessary sacrifices.

The attacks on China also seem a bit disingenuous now that Western countries are imposing lockdowns on their own cities and in the light of Mr Trump’s chaotic and arbitrary actions in fighting the pandemic in the US.

“We have a thousand reasons to get the China-US relationship right, and not one reason to spoil it,” Mr Xi told Mr Trump at their first meeting at the Mar-a-Lago resort in Palm Beach, Florida, in April 2017.

The hope underlying those sentiments grows increasingly dim these days.

Peking University’s School of International Studies dean Wang Jisi says China is losing hope that the US will seek a return to friendlier ties.

The pandemic’s damage to the American economy will only add to the ammunition of US hawks who argue for greater decoupling and a more aggressive policy towards China.

A bare-knuckled approach would be a mistake. The People’s Republic of China is not the Qing dynasty and Mr Xi is not Cixi. When push comes to shove, China will punch back, and with more force than that from a band of Boxers armed with swords, spears, shields, prayers and magic rituals. [SI](#)

Recent China retaliations directed largely at US this year

- 1 On March 18, China announced the effective expulsion of American journalists working for three United States media outlets, in retaliation against Washington’s controls on Chinese journalists. The NYT, WSJ, WaPo, Voice of America and Time magazine will also have to declare information about their “staff, finance, operation and real estate” in China. Earlier, China had revoked the press credentials of three journalists with the Wall Street Journal in February after the newspaper declined to apologise for a column with a headline calling China the “real sick man of Asia.”
- 2 In May, China’s state media lashed out at US President Donald Trump’s vow to end Hong Kong’s special status should Beijing impose new national security laws on the city. This would hurt the US more than China, state media said.
- 3 In late May, Chinese state media took aim at the US government as many American cities were gripped by raging protests and clashes. Chinese media circulated video clips suggesting Hong Kong police were “restrained” in comparison to actions seen in the US.

Can China arrest a free fall in ties with the US?

How it responds to the challenges posed by an increasingly hostile America will also shape its standing among other nations

ZHENG YONGNIAN

THE RELATIONSHIP BETWEEN CHINA AND THE United States is in free fall.

In recent months, the impact of Covid-19 has added to the areas of friction. Among them is the push by the US and its Western allies for a probe into the origins of the coronavirus; with the presumption of Chinese guilt, there is also the move by some governments and lawyers to seek compensation from Beijing – sometimes to the tune of trillions of dollars – for the spread of Covid-19.

The US has also used Taiwan as a pressure point by seeking the restoration of its observer status at the World Health Assembly (WHA). From 2009 to 2016, Taiwan was invited to the WHA as an observer, but that stopped when the island elected a president that Beijing deemed unfriendly to its interests. Hong Kong flared up again as a source of tension after Beijing moved to directly enforce a controversial national security law in the territory.

As China's Foreign Minister Wang Yi noted on May 24, a "political virus" is spreading in the US, causing politicians there to take every opportunity to attack and discredit China, pushing both countries to "the brink of a new Cold War".

American sentiments towards China are indeed souring. On May 13, the Victims of Communism Memorial Foundation released the results of a survey done in partnership with YouGov pollsters. It showed that over two-thirds of Americans (69 per cent) view the Chinese government as either "somewhat" or "very responsible" for the spread of the coronavirus; 51 per cent support the Chinese government paying compensation to countries affected by the pandemic; 67 per cent view China as either a competitor or enemy in the light of the outbreak; 43 per cent have a more unfavourable opinion about the Chinese government as a result of Covid-19; and a whopping 71 per cent believe that China should be "penalised" for the pandemic.

A Pew survey, released on April 21, also showed

that roughly two-thirds of Americans now have a negative opinion of China, the highest percentage recorded since the Pew Research Centre began asking the question in 2005.

The Chinese side is also becoming increasingly antagonistic towards the US. This was particularly noticeable in the combative Foreign Ministry responses to accusations by US President Donald Trump and Secretary of State Mike Pompeo that Covid-19 originated in the Wuhan Institute of Virology's P4 laboratory and their pointed references to the Sars-CoV-2 virus as the "Chinese virus".

The much more muscular response – now commonly referred to as "Wolf Warrior" diplomacy – comes amid a new wave of nationalistic sentiments in China, much like the one that accompanied the 2008 Olympic Games. These tend to break out every time the Chinese feel their country's contributions to the world are not getting their due recognition.

HYBRID NATIONALISM

Chinese nationalism today is a hybrid – it is in part the older generation's sense of historic grievance over the 100 years of humiliation inflicted by foreign powers; it is also the growing sense of national pride among the young in China's prosperity; it is also what can be termed "commercial nationalism", pushed by the media, particularly social media, and also by some business sectors which benefit from promoting nationalism.

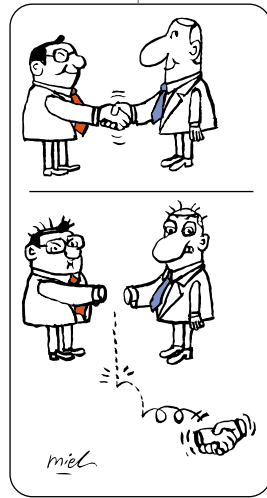
Whatever its roots, nationalistic sentiments have reached all corners of Chinese society and found expression in different forms. Hawkish voices call for a re-evaluation of China's phase one trade deal with the US. Advisers close to the talks have suggested that Chinese officials consider invalidating the trade pact and negotiate a new one to tilt the scales more to the Chinese side. The Global Times' editor Hu Xijin suggests that China acquire more nuclear warheads to deal with the US. While all

these are not official positions, they tend to provoke strong reactions from Americans.

The outlook for a more positive direction on the foreign policy front is bleak when diplomats from both sides behave like rival politicians, exchanging blow for blow and resorting to blame games rather than searching for a feasible policy for problem-solving. The free fall in Sino-US ties is gaining momentum, no thanks to the efforts from both sides. As it accelerates, the danger is that it is headed in the direction of Professor Graham Allison's Thucydides's Trap, in which a rising China and a dominant US end up in a violent collision that no one wants.

The free fall in Sino-US ties is gaining momentum, no thanks to the efforts from both sides. As it accelerates, the danger is that it is headed in the direction of Professor Graham Allison's Thucydides's Trap, in which a rising China and a dominant US end up in a violent collision that no one wants.

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ST ILLUSTRATION: MIEL

It will be unrealistic to expect that the US will soften its policy towards China in the near future. The conditions for doing so are simply not there. Mr Trump is in campaign mode for re-election with an economy devastated by Covid-19 and jobless figures at historic highs.



SLOWING THE DESCENT

Can anything be done to arrest the dangerous trajectory of this relationship?

It will be unrealistic to expect that the US will soften its policy towards China in the near future. The conditions for doing so are simply not there. Mr Trump is in campaign mode for re-election with an economy devastated by Covid-19 and jobless figures at historic highs. Given the increasingly negative attitudes of American voters towards China, it is not surprising that the Republicans see demonising China for the economic pains America is suffering as their best bet to victory in November. The voters' mood and the campaign messaging that Mr Joe Biden is soft on China also mean that the Democrats cannot be seen to be too compromising towards Beijing either.

What about China then? Given that China is not caught up in the throes of election-year politics, it is more likely to be able to take initiatives to stabilise this relationship. President Xi Jinping's recent speech at the WHA was a positive step in this regard. Avoiding the pugnacious tone taken by some of his bureaucrats, Mr Xi did not blame anyone and any country; instead, he emphasised what China can do by way of humanitarian diplomacy.

He promised, for instance, that Beijing will provide US\$2 billion (\$2.8 billion) over two years to help with the Covid-19 response, make a Chinese-produced Covid-19 vaccine, and work with other Group of 20 members to implement the debt service suspension initiative for the poorest countries.

WISDOM NEEDED, NOT 'WOLF WARRIOR' DIPLOMACY

A better way to go about it is to consider why China's swift sharing of the virus' genetic code with foreign scientists was so well received; its offer of medical expertise and equipment to other countries struggling to contain the pandemic was also in itself a creditable act. But all the good that these positive acts have achieved has been undone by the words and actions of its more belligerent diplomats, propagandists and media spokesmen.

What China needs is confidence and wisdom, not "Wolf Warrior" diplomacy and chest-thumping nationalism. Acts of generosity do not engender goodwill when they come with demands for acknowledgement and praise.

The purpose of diplomacy is to further the national interest; it should not be equated solely with out-shouting the opponent. Restraint properly exercised can work better in influencing other nations; excessive nationalistic rhetoric – by bureaucrats or official media – may whip up the home crowd, but does it really help China secure true respect on the international stage? For a great power, it is also not wise to make use of the coronavirus as an opportunity to push one's advantage over others in matters of dispute such as the South China Sea claims.

The call for restraint is not to deny the roots of

China's deep-seated fear of a concerted attempt by a US-led West to contain it or to deny its legitimate right to have its say as a rising power. What is being argued here is that assertiveness in the national interest is not the same thing as aggressiveness, which has the counterproductive effect of unifying Western and other countries against China.

Excessive nationalism in the conduct of foreign policy also runs the risk of China not seeing its potential strengths in the realm of power politics. For instance, the Trump administration's cuts in funding for the World Health Organisation (WHO) may in part be directed at China, but China is not alone in opposing the US action. Major European powers are also against Washington's actions against the WHO, even if they are critical of China's initial response to Covid-19.

In the search for the origins of the Covid-19 virus, it is far better for China to adopt a cool-headed, rational and scientific approach. It is one that actually works in China's favour as the international scientific community is not enamoured with Trumpian political finger-pointing. Indeed, Chinese researchers and doctors have been working closely with their counterparts in other countries since the very beginning of the outbreak and their joint efforts would not have been possible if they were not agreed on a science-based search for the truth.

Mr Xi has agreed to having an international investigation of the origins of the virus. A thorough investigation is the correct path forward but it should be for the right reasons – not for pinning blame and exacting reparations, but to help scientists determine the evolutionary course of the disease in order to better protect humanity against this and future outbreaks.

OPPORTUNITY FOR GLOBAL LEADERSHIP

A country that is self-confident neither fears a rational, self-correcting decision-making process nor gets led astray by loud nationalistic voices. While nationalism is a fact and can provide a sense of solidarity, excessive nationalism is ultimately self-destructive. Ever since the May Fourth Movement, Chinese nationalism has been a double-edged sword; the risk is that while it starts off by agitating against foreigners, it could easily turn its fury against its own government.

The world is becoming increasingly chaotic. Covid-19 has been extremely damaging to the US and its claim to global leadership. China has suffered too but it also has an opportunity to play a more important role in global affairs. It can do so by undertaking initiatives that serve the greater good of humanity. It will be judged by its deeds, not words articulated in the growing heat of US-China rivalry. [SI](#)

*Zheng Yongnian is research professor at the East Asian Institute, National University of Singapore. He is the author of *Discovering Chinese Nationalism In China: Modernization, Identity And International Relations*.*

Police trying to disperse protesters during a rally against the implementation of a new national security law in Causeway Bay, Hong Kong.
PHOTO: EPA-EFE



Special Report

Hong Kong caught in game of chicken between US and China

Analysts say the impact on Hong Kong will only be known in some time

WITH THE UNITED STATES MOVING TO CHANGE its relationship with Hong Kong by ending the city's preferential treatment over mainland China, Hong Kong government officials have slammed the move while some observers say it is too early to tell the degree of damage to the territory.

In a statement issued on May 30, the Hong Kong government blasted the Trump administration for smearing and demonising "the legitimate rights and duty of our sovereign to safeguard national security."

It said the US itself had at least 20 relevant

laws including the National Security Act, Homeland Security Act, as well as Intelligence Reform and Terrorism Prevention Act.

"President Trump's claim that Hong Kong now operated under 'one country, one system' was completely false and ignored the facts on the ground," a government spokesman said.

He added that the city is not "unduly worried" by US threats but the sanctions and trade restrictions are not justified.

Financial Secretary Paul Chan told Global Times that the government has devised a contingency plan and is ready to face possible US sanctions, even as pro-democracy group Demosisto rallied for countries to follow US' lead.

Security Secretary John Lee on May 30 said the Hong Kong government would not be threatened

CLAIRE HUANG

Hong Kong
Correspondent



✉ huangjy@sph.com.sg



Under Article 23 of Hong Kong's Basic Law, the city's mini Constitution, the local government must enact a national security law to safeguard China.

PHOTO: BLOOMBERG

by the move while Justice Secretary Teresa Cheng described the actions as “completely false and wrong”, saying the national security laws were legal and necessary.

Associate Professor Sing Ming of the Hong Kong University of Science and Technology believes US President Donald Trump and the White House are “trying to test the waters”.

Describing this as “kind of playing chicken”, he said the terms of Beijing’s new national security law for Hong Kong are yet to be defined, “so the US government is trying to elbow the Chinese government to be as lenient as possible.”

Beijing on May 28 passed a legislation that would have Hong Kong bypass its Legislative Council to enact a controversial national security law that has not been passed for 23 years since the territory was handed back to China from Britain in 1997.

In some of his toughest rhetoric yet, Mr Trump on May 29 said Beijing had broken its word over Hong Kong’s high degree of autonomy and the territory no longer warranted US economic privileges.

“We will take action to revoke Hong Kong’s preferential treatment as a separate Customs and travel territory from the rest of China,” he said.

Mr Douglas Paal from the Carnegie Endowment for International Peace said Mr Trump’s speech may be intended to sound worse than it actually is.

“Discreet announcements to follow would provide political talking points for the Trump election campaign, perhaps without significant

reference to actually effecting change,” Mr Paal said, adding that if the US were to completely end Hong Kong’s special status, it would be “sort of like shooting the hostage to teach the hostage taker a lesson”.

But Prof Sing disagrees with the analogy, saying Mr Trump’s decision would hurt China indirectly as Hong Kong is a financial hub for the mainland to raise capital, internationalise the renminbi and a port for the Chinese to import technology.

Increasingly though, Hong Kong’s economy will go the way of the mainland as more regional businesses relocate to Singapore, noted Mr Sean King, an Asia and Asian Studies affiliated scholar of the University of Notre Dame’s Liu Institute.

So will China’s huge domestic market be able to somewhat cushion the expected loss of this special treatment from the US?

“A bit, but Hong Kong may soon also start losing business to Shanghai and Shenzhen,” warned Mr King.

Hong Kong-based Brock Silvers, chief investment officer at Adamas Asset Management was surprised by Mr Trump’s call to terminate rather than suspend Hong Kong’s special status, saying the 30-day delay may not provide much calm as neither China nor the US seems likely to retreat.

“Hong Kong’s resilient finance community has survived many prior periods of turmoil, but this time it will lack an independent legal system, favourable US relationship, or booming Chinese economy... And

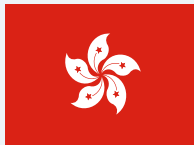
should Hong Kong's US dollar peg be threatened, the result for its economy could be devastating."

The American Chamber of Commerce in Hong Kong said it was "a sad day" for the global financial centre, with its President Tara Joseph noting it is "an emotional moment for Americans in Hong Kong and it will take companies and families a while to digest the ramifications."

Mr Trump's announcement comes days after Secretary of State Mike Pompeo on March 27 declared Hong Kong to no longer have significant autonomy under Chinese rule, particularly as Beijing moves to enact a national security law in the city.

Under Article 23 of Hong Kong's Basic Law, the city's mini Constitution, the local government must enact a national security law to safeguard China.

Hong Kong security law



Under Hong Kong's Basic Law, the territory is obliged to enact its own national security law

After protests in 2003 blocked the government's attempt to introduce a law, the task has been put on hold

China's parliament on May 28 approved plans to impose a security law on Hong Kong

The law would define and punish:

- ★ Secession
- ★ Subversion of state power
- ★ Terrorism
- ★ Foreign interference
- ★ It would allow Chinese security agencies to operate openly in Hong Kong

Supporters of the move say every nation must have a national security law

Critics say the law would destroy Hong Kong's autonomy

SOURCE: AFP

In a letter to Hong Kong residents published on May 29, Chief Executive Carrie Lam explained that it is the city's constitutional duty to enact such a law.

She said it is difficult for her team to fulfil this obligation in the light of the social and political situation and that Beijing's decision "aims to enable Hong Kong society to find a way out of the impasse, restore stability as soon as possible and resume development of the economy and livelihoods."

Beijing's decision was done through Article 18 of the Basic Law, which says that the legislature in China can make laws for Hong Kong if those laws are about matters outside the territory's autonomy, of which China's national security falls under.

The original provisions in Article 23 states that it is Hong Kong's constitutional duty to pass law that prohibits treason, subversion, secession and sedition against the Central Government. There are also several other provisions about protection of Official Secrets and foreign political organisations not being allowed to operate in Hong Kong.

Professor Albert Chen of the University of Hong Kong's Centre for Chinese Law said people are concerned about whether the scope for civil liberties will be significantly curtailed by this law.

But he noted that at the moment, details are not known except that it comprises four aspects – secession such as Hong Kong independence, subversion such as overthrowing the Chinese government, terrorism and foreign interference in Hong Kong affairs.

"I think we all know that the national security law in mainland China is quite draconian, so I think even the Chinese government understands that it is not suitable for application to Hong Kong given the 'one country, two systems' policy, given the Hong Kong common law system, given the protection of human rights in Hong Kong which the existing legal system already provides for," said Prof Chen.

One thing is for sure though, advocating Hong Kong independence will be criminalised under the law, while foreign non-governmental organisations may not be able to operate as freely in Hong Kong as before, particularly if they give money to politicians, political parties or Hong Kong social activists, he said.

He added that China might refer to the national security Bill that the Hong Kong government wanted to roll out in 2003. It was later shelved after half a million people took to the streets in opposition.

"It is possible that China will look at that Bill and maybe use it as the starting point and then maybe modify so that it will become the new national security law," said Prof Chen, who pointed out that the Hong Kong government had sent the Bill during its preparation to a Queen's Counsel in Britain, who wrote an opinion saying that the Bill was consistent with international human rights standards.

He added that the new law could come as early as end June or in August given that the National People's Congress' Standing Committee meets every two months. [S](#)

Hong Kong's resilient finance community has survived many prior periods of turmoil, but this time it will lack an independent legal system, favourable US relationship, or booming Chinese economy... And should Hong Kong's US dollar peg be threatened, the result for its economy could be devastating.



– **HONG KONG-BASED BROCK SILVERS**, chief investment officer at Adamas Asset Management



Fear of foreign interference looms large in China's version of HK law

A pro-China activist holding an effigy of US President Donald Trump during a protest outside the US consulate in Hong Kong. PHOTO: AFP

BENJAMIN KANG LIM

Global Affairs Correspondent



✉ blim@sph.com.sg

TAN DAWN WEI

China Bureau Chief In Beijing



✉ dawntan@sph.com.sg

FEW WOULD DISAGREE THAT CHINA'S LATE patriarch Deng Xiaoping was a wise and visionary leader. It took courage to grant Hong Kong autonomy in a "one country, two systems" framework that sets the city apart from other Chinese cities green with envy.

China would keep its hands off Hong Kong, pledging that the city's capitalist system and lifestyle will not change for 50 years and that it will be run by Hong Kongers except in foreign and defence affairs.

The city has not had to pay taxes to the Chinese central government since the British colony reverted to Chinese rule in 1997.

It also issues its own currency, holds legislative elections and maintains an independent judiciary.

But Mr Deng portended chaos in the city one day and warned the central government would have to interfere if words of criticism turned into action, reported the People's Daily, the "throat and tongue" of the Communist Party.

"After 1997, if there are people in Hong Kong who scold the Communist Party of China, scold China, we will allow them to scold. But if it becomes action to turn Hong Kong into an anti-mainland bastion under the guise of 'democracy', what then? Non-intervention would not be feasible," Mr Deng told members of the committee drafting Hong Kong's Basic Law, or mini-constitution, in 1987.

Mr Deng's warning proved prescient.

Hong Kong was rocked by months of rioting last year against a now defunct Bill that would have allowed fugitives to be extradited from Hong Kong to China.

Hong Kong's first chief executive after the handover, Mr Tung Chee Hwa, dropped a political bombshell last July when he pointed at the United States and Taiwan for orchestrating months of violent protests in Hong Kong which have morphed into calls for democracy and independence.

There is reason to believe there were "masterminds behind the storm" which was "well organised" and "escalated quickly", Mr Tung told an audience at a luncheon organised by his think-tank, Our Hong Kong Foundation.

"There could be interference from external forces, and various signs are pointing towards Taiwan and the US," he reportedly said, without elaborating.

Mr Tung's accusation came on the heels of a Chinese Foreign Ministry spokesman calling for the US then to withdraw its "black hand" from Hong Kong.

A spokesman for the US consulate in Hong Kong called the accusation "ridiculous".

On May 28, China's Parliament passed a resolution that paves the way for a national security law in Hong Kong, bypassing its Legislative Council.

The legislature had shelved implementing Article 23 of the Basic Law in 2003 - requiring Hong Kong to enact a national security law - after about 500,000 people took to the streets in protest against it.

The newly passed resolution sets the stage for a law to be imposed to prevent and punish those who engage in secessionist and subversive activities, as well as terrorism and foreign interference.

"Without doubt, the incessant rioting last year was the result of foreign interference," a source

They (central government) have taken into account any possible backfire from Hong Kong and the US, but this process has already begun and it will not stop, and they are determined to do this at any cost.



– **PROF SHI YINHONG** of Renmin University at a webinar organised by the Iseas-Yusof Ishak Institute

familiar with the Chinese leadership's thinking told The Straits Times.

President Xi Jinping has been “very restrained, but is increasingly frustrated” with the chaos that ripped through Hong Kong for months, the source said.

“Hong Kong is China's Hong Kong, no longer the UK's Hong Kong and certainly not America's Hong Kong,” the source added.

“Many countries, including the US, have national security laws. But it's double standards to say other countries can have national security laws, but China cannot legislate one for Hong Kong.”

International relations professor Shi Yinhong, who is a government adviser, said the protests steeled the Chinese leadership's determination to introduce this piece of legislation – on the central government's terms – to rein in the rioters and keep what it believes to be foreign forces from meddling.

That determination was evident at last October's Fourth Plenum meeting, a conclave of the Communist Party's most senior leaders.

At the end of the session, the party pledged in a communique to “establish a sound legal system and enforcement mechanism for safeguarding national security in the special administrative regions.”


Prof Shi of Renmin University said at a webinar organised by the Iseas-Yusof Ishak Institute: “They (central government) have taken into account any possible backfire from Hong Kong and the US, but this process has already begun and it will not stop, and they are determined to do this at any cost.”

Law professor Cora Chan acknowledged it would be impossible for a national security law to pass in the Hong Kong legislature because of the “deep distrust” in the Chinese government.

But it is important to understand where China is coming from, said the University of Hong Kong professor.

“They do genuinely view Hong Kong as a national security threat and believe it might be used as a base for subversion.”

The question is: how to deal with this situation?

“Do you deal with it with a heavy-handed move of imposing a national security law in Hong Kong or by solving the systemic and legitimate demands of the Hong Kong people?” 

Members of the honour guard preparing for a welcoming ceremony at the Great Hall of the People before China's Fourth Plenum meeting last October. At the end of the session, the party pledged in a communique to “establish a sound legal system and enforcement mechanism for safeguarding national security in the special administrative regions”.

PHOTO: REUTERS



US moves over Hong Kong further fray China ties, but may have limited effect on Beijing

RELATIONS BETWEEN CHINA AND THE UNITED States took a turn for the worse on May 29 when President Donald Trump announced a series of measures intended to exact a price from Beijing for changing the status quo in Hong Kong.

But the measures related to Hong Kong were not unexpected. The US will revoke Hong Kong's preferential treatment as a customs and travel territory. While finer details have yet to emerge, this in effect means Hong Kong will be treated the same as mainland China.

Mr Trump's announcements come days after Secretary of State Mike Pompeo certified that

Hong Kong was no longer autonomous from China to warrant special treatment, in response to recent developments, including an imminent national security law that would tighten the central government's control over Hong Kong.

And while the overall China-US relationship is in a nosedive, the cost imposed on China for its move on Hong Kong is moderate, Dr Ian Bremmer, CEO of The Eurasia Group, told The Straits Times.

The direction of US-China relations is “precipitously negative on pretty much every front, and there are a lot of them,” Dr Bremmer said.

But he added: “Trump was careful to talk big

NIRMAL GHOSH
US Bureau Chief



 nirmal@sph.com.sg



The Chinese must know the law will force the US to remove Hong Kong's special trade status. I think that is expected and perhaps even welcomed. It will be economically costly, but the economic costs will be shared by everybody. Without the special status, Hong Kong is just another Chinese city, and that's exactly what China wants.



– **MS YUN SUN**, senior fellow and co-director of the East Asia Programme, and director, China Programme at the Stimson Centre in Washington

For China, the bilateral relation between Beijing and Washington is already so bad that it makes now a good time to push on the national security law on Hong Kong, says Ms Yun Sun. PHOTO: EPA-EFE

(but) carry a smaller stick. He didn't mention the phase one trade deal, or go after (President) Xi Jinping personally. For now, this is still incremental escalation, even though the rhetoric is extremely sharp."

Dr Anish Goel, a former State Department and White House official who is now senior fellow at the bipartisan New America think-tank, told The Straits Times: "This has allowed the Administration to look like they are being tough and holding China to account, but doing it in a way that China will not care about it."

In an interview prior to President Trump's announcement on Hong Kong, but after Mr Pompeo officially informed Congress that Hong Kong could no longer be considered autonomous, State Department spokesperson Ms Morgan Ortagus told The Straits Times: "We understand that China is a strategic competitor. That doesn't mean that we won't have plenty of areas in which that we can work together."

"We have worked together on things like...North Korea and passing the toughest sanctions that the UN Security Council has ever posed on North Korea. There are areas in the world in which our interests will intersect. We still have a lot of American businesses that are doing business in China. We have the President's phase one trade deal."

"Nothing in foreign policy is ever black and white. We all operate in shades of grey, but what we won't do in this administration is turned a blind eye when things are happening around the world. We will call it out exactly as we see it," she said.

But China would have anticipated the blowback from the US, and the financial or economic damage will not be significant enough to change China's calculation, said Ms Yun Sun, senior fellow and co-director of the East Asia Programme, and

director, China Programme at the Stimson Centre in Washington.

"The Chinese must know the law will force the US to remove Hong Kong's special trade status," she told The Straits Times.

"I think that is expected and perhaps even welcomed. It will be economically costly, but the economic costs will be shared by everybody."

"Without the special status, Hong Kong is just another Chinese city, and that's exactly what China wants," she said.

"I think China is even well prepared for US sanctions on Chinese officials and entities. For China, the bilateral relation is already so bad that it makes now a good time to push on the national security law on Hong Kong."

"China has nothing to gain from restraint, and has nothing to lose from taking the initiative."

Mr Trump's response to China's new national security law to cover Hong Kong, is just part of a wider push back against China in line with Washington's identification in its 2017 National Security Strategy, of China as a strategic competitor.

"Xi Jinping's grand strategy is to... achieve a favourable set of rules and a Sino-centred security architecture," Dr Patrick M. Cronin, Asia-Pacific Security Chair at the conservative Hudson Institute, and President Trump's former National Security Advisor H. R. McMaster, now Japan Chair at the Hudson Institute, co-wrote in a paper released on Friday.

"Beijing wants to wield a veto over military and economic decisions while displacing the US alliance system and neutralising any latent coalition that could prevent it from getting its way, whether over forcible unification with Taiwan or coercion of its maritime neighbours," they wrote.

The best option for the US was to strengthen its alliances with other regional powers like Japan and South Korea, they added.

Hawks in Congress have meanwhile been passing a stream of legislation aimed at limiting China's reach and influence in the US, and punishing Chinese officials involved in China's actions in Tibet, Xinjiang and the South China Sea.

Also on May 29, the US said it was suspending visas for mostly doctoral and post-doctoral Chinese students deemed to "operate as non-traditional collectors of intellectual property."

Taiwan is coming into sharper focus as well.

The US has thus far stuck to its "one China" policy on Taiwan, which does not explicitly recognise Taiwan as an independent country. But Washington does sell arms to Taiwan – an irritant for China which sees Taiwan as a renegade province which will eventually be reunited with the mainland.

But Congressman Ted Yoho, ranking member of the House Foreign Affairs Committee, told C-Span's Washington Journal on May 29: "Next step is Taiwan and China is going to focus on them and try reunification with China." 

Wiping out poverty by year-end remains China's goal despite virus, economic woes



ST ILLUSTRATION: MANNY FRANCISCO

Although China has lifted 800 million out of poverty in the past four decades, eradicating rural poverty is an uphill battle.

MORE THAN 460,000 CHINESE ENTERPRISES declared bankruptcy in the first quarter of this year.

And though official figures pin unemployment at 5.9 per cent in March, China's real jobless rate stands at an alarming 20 per cent, or 70 million jobless, according to Zhongtai Securities, a brokerage firm in Shandong province that has since retracted its report, ostensibly due to government pressure to prevent panic.

Even more alarmingly, the Chinese economy shrank 6.8 per cent in the January to March period from the previous year, the first contraction since quarterly records began in 1992.

Yet despite all the economic devastation wrought by Covid-19, Premier Li Keqiang pledged on May 22 that the world's most populous nation is still determined to wipe out rural poverty by the end of this year.

"Eliminating poverty is an obligatory task we must complete in order to build a moderately prosperous society," he said at the opening of the annual full session of Parliament, which is usually held in March but was delayed this year because of the virus outbreak.

It will be an uphill battle. Eradicating rural poverty would be an unprecedented feat in more than 3,000 years of Chinese history. But poverty, joblessness and bankruptcies are all threats to social stability – an obsession of the Communist Party.

In his annual work report to the National People's Congress, Mr Li said the rural poor population was reduced by 11.09 million last year.

China has lifted 800 million out of poverty in the past four decades, according to the World Bank, a move unmatched by any other country in history.

The building of a "moderately prosperous society" is ambiguous and not quantifiable.

China's chief state statistician put the country's

BENJAMIN KANG LIM

Global Affairs
Correspondent



✉ blim@sph.com.sg

Eradicating rural poverty would be an unprecedented feat in more than 3,000 years of Chinese history. But poverty, joblessness and bankruptcies are all threats to social stability – an obsession of the Communist Party.

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middle class at 400 million strong, or one-third of the population. Once an egalitarian though impoverished backwater, China is now the world's second-biggest economy after more than four decades of reform.

Premier Li also promised more government spending to buoy the economy, but he did not set a growth target for this year because "the global epidemic situation and economic and trade situation are very uncertain."

"China's development is facing some unpredictable factors," he said, apparently referring to a trade and technology dispute with the United States as well as an escalating war of words with US President Donald Trump over the origin of the coronavirus that threatens to decouple the world's two biggest economies.

A source with ties to the leadership was confident China would still be able to post positive growth this year, ranging from 3 per cent to 5 per cent.

In his speech, Mr Li unveiled "forceful, sustainable... adjustable" policies to help enterprises weather "the fastest spreading, most extensive and most challenging public health emergency" since the 1949 revolution. To reduce the burden on enterprises, he vowed to further cut taxes and

fees of about 500 billion yuan (\$100 billion), slash, waive or defer rents for state-owned premises, and decrease electricity prices and the cost of broadband and dedicated Internet. These measures will see additional savings of more than 2.5 trillion yuan for enterprises throughout the year, he said.

"We must do our utmost to help enterprises, particularly micro, small and medium-sized businesses, and self-employed individuals get through this challenging time."

The Premier ordered large commercial banks to increase lending to micro and small businesses by more than 40 per cent to ensure private firms can secure loans more easily.

Interest rates will be steadily reduced and principal and interest repayments will be deferred until the end of March next year.

But this is easier said than done. Most Chinese banks are risk-averse and prefer to lend to state-owned enterprises but not private firms.

Increased government spending on infrastructure projects and lower revenues from tax collection mean a bigger fiscal deficit. China is targeting a 2020 budget deficit of at least 3.6 per cent of gross domestic product, above last year's 2.8 per cent, and has fixed the quota on local government special

China drops GDP target this year amid uncertainties caused by coronavirus pandemic

TAN DAWN WEI

China Bureau Chief
In Beijing



✉ dawntan@sph.com.sg

The main targets set out for the year is the creation of more than nine million new urban jobs, increase in consumer price index of around 3.5 per cent and a more proactive and impactful fiscal policy.

Delegates attending the closing ceremony on May 28 of the third session of the 13th National People's Congress at the Great Hall of the People in Beijing. PHOTO: EPA-EFE

CHINA HAS NOT SET A GROSS DOMESTIC product (GDP) target this year, a move widely expected by economists.

In presenting his work report on May 22 at the Great Hall of the People, Premier Li Keqiang said a target was not given because of uncertainties caused by the coronavirus pandemic.

"This is because our country will face some factors that are difficult to predict in its development, due to the great uncertainty regarding the Covid-19 pandemic and the world economic and trade environment," he said.

"Not setting a specific target for economic growth will enable all of us to concentrate on ensuring stability on the six fronts and security in the six areas."

The six fronts refer to employment, the financial sector, foreign trade, foreign investment, domestic investment, and expectations.

The six areas refer to job security, stable living needs, operations of market entities, food and energy security, stable industrial and supply chains and the normal functioning of primary-level governments.

Before the coronavirus outbreak, economists had expected Beijing to set a target for its GDP growth of around 6 per cent for this year.

Last year, China's economy, battered by a fierce trade war with the US, grew 6.1 per cent – the



bond issuance at 3.75 trillion yuan, up from 2.15 trillion yuan, according to the Premier.

To prevent the jobless from taking to the streets, China aims to create more than nine million new urban jobs this year and set a target urban unemployment rate of around 6 per cent, compared with 5.5 per cent last year.

China has built a “Great Wall of solidarity against the epidemic” and “achieved a decisive victory” for now, Mr Li said, adding that it “will not let up on any front of our long-term fight” against the contagion to prevent a second wave of infections.

Military spending may have slowed from double-digit growth in previous years, but China’s goal of reunification with self-ruled Taiwan, which Beijing claims as its own, has never changed – either through peaceful or military means.

Mr Li ignored Taiwan President Tsai Ing-wen’s call for dialogue after she rejected Beijing’s peaceful reunification overtures in her inaugural speech on May 20.

The Premier declared that China will “resolutely oppose and deter any separatist activities seeking Taiwan independence”.

He added that China will push for reunification, but dropped the crucial word “peaceful.” **ST**



A man carting used coal bricks to a garbage bin in a Chinese village. China has lifted 800 million out of poverty in the past four decades, according to the World Bank, a move unmatched by any other country in history. PHOTO: AFP



Chinese Premier Li Keqiang is shown live on an outdoor electronic display at a street in Hong Kong. Premier Li took half the time he did last year to present the report, which was just 23 pages long, compared with last year’s 43.

PHOTO: EPA-EFE

country’s slowest rate of growth since 1990.

Premier Li had announced at the opening of last year’s Parliament session a growth target of between 6 per cent and 6.5 per cent.

Analysts had predicted that China would not set a GDP growth target this year, given the uncertainties in the economy and worries of another wave of outbreak. The economy contracted 6.8 per cent in the first three months of the year, the worst on record.

Among the main targets set out for the year is the creation of more than nine million new urban jobs, down from 11 million last year.

An urban unemployment rate target of around 6 per cent was also indicated, compared with 5.5

per cent last year.

Another target was an increase in consumer price index (CPI) of around 3.5 per cent.

FISCAL POLICY

Premier Li also vowed to pursue a “more proactive and impactful fiscal policy”, setting China’s deficit-to-GDP ratio at more than 3.6 per cent, past a long-standing red line of 3 per cent, and a deficit increase of one trillion yuan (\$200 billion) over last year.

The government pledged to issue one trillion yuan of government bonds.

At the same time, it will use monetary policy tools such as required reserve ratio reductions, interest rate cuts and re-lending to help businesses and stimulate the economy.

Other measures announced include further tax and fee cuts, support for flexible employment, and help for micro, small and medium businesses to access loans and keep afloat.

Premier Li took half the time he did last year to present the report, which was just 23 pages long, compared with last year’s 43.

Chinese state television said it could be because the government wanted to keep the gathering of delegates and diplomats at the opening ceremony short, to reduce exposure because of Covid-19.

Some 5,000 delegates from around the country have gathered in Beijing for the annual parliamentary meetings, better known as Two Sessions, or lianghui.

Traditionally held in March, it was postponed this year because of the coronavirus outbreak and has been shortened from about 10 days to a week. **ST**

Premier Li also vowed to pursue a “more proactive and impactful fiscal policy”, setting China’s deficit-to-GDP ratio at more than 3.6 per cent, past a long-standing red line of 3 per cent, and a deficit increase of one trillion yuan (\$200 billion) over last year.

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East Asia Watch

ILLUSTRATION: MANNY FRANCISCO

Moves to mend Sino-Japan ties hit by Covid-19

WALTER SIM

Japan Correspondent
In Tokyo



✉ waltsim@sph.com.sg

Although positive ties had been evident early in the outbreak, there has been heightened tensions around the contested Senkaku/Diaoyu islands

FAR FROM TURNING THE TIDE IN LONG-FRAYED Sino-Japan relations, the Covid-19 pandemic and China's regional moves are threatening a fragile trust that had begun to emerge between Asia's two largest economic giants.

Chinese President Xi Jinping's first state visit to Japan, which was scheduled for April, has been indefinitely postponed.

Experts note that Japan's security ally, the United States, has been taking an increasingly hardline stance against China. Domestically, Japan has begun to question Chinese reciprocity, while accusing Beijing of reckless aggression in regional waters at a time

when global cooperation is needed to fight Covid-19.

Positive ties had been evident early in the outbreak, with Japan donating to China more than 6.3 million masks, one million pairs of gloves, 179,000 sets of protective gear, 78,000 pairs of goggles, 16,000 thermometers and 1.15 tonnes of disinfectant by Feb 7.

Japan was also the first country to be given the green light to evacuate its citizens from Wuhan, where the outbreak was first detected.

In March, Prime Minister Shinzo Abe rode on China's endorsement of Avigan – a drug developed by Japan's Fujifilm – to promote it as an effective treatment against the coronavirus even as medical experts remained sceptical.

And, wary of the diplomatic and economic fallout in shutting borders to China, Japan was late in imposing a blanket entry ban on all Chinese visitors.

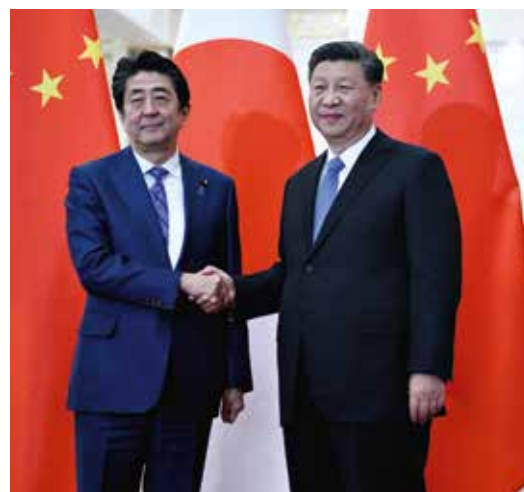
Entry bans on recent visitors to Hubei and Zhejiang provinces have been in place since Feb 1 and Feb 13, respectively, but it was only on April 3 – six days after China imposed a ban on the entry of foreigners – that Japan expanded its restrictions to all of China.

Four days later, Mr Abe was forced to declare a state of emergency as the domestic Covid-19 situation worsened – a decree that remains in effect in eight prefectures including Tokyo and Osaka.

While individual Chinese cities have pledged donations to sister cities in Japan, there has been no similar show of solidarity from Beijing despite Japan's struggles with a lack of medical gear such as masks and ventilators.

Vietnam, Taiwan and Jordan have donated medical products to Japan. US President Donald Trump reassured Mr Abe in a phone call on May 8: "We can send you ventilators any time."

Meanwhile, Tokyo has publicly praised Taiwan's coronavirus response and is backing its participation as an observer at the World Health Organisation. "The



Japan's Prime Minister Shinzo Abe shaking hand with China's President Xi Jinping at the Great Hall of the People in Beijing.

PHOTO: AFP

international community has a great deal to learn from Taiwan,” Foreign Minister Toshimitsu Motegi said on May 13. “Frankly speaking, there’s an issue with China.”

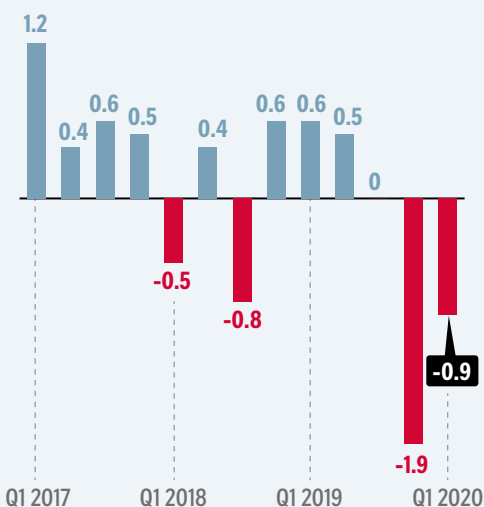
Mr Abe has exhorted Japanese firms to move production lines in China either back home or to South-east Asia, earmarking about 240 billion yen (\$3.2 billion) to help them do so.

He noted the fragility of Japan’s supply chain due to over-reliance on China, which has crippled key industries such as cars and electronics during the pandemic.

The policy has not gone unnoticed in Washington, where its former ambassador to the United Nations Nikki Haley tweeted: “The US is not the only country looking to change ways with China.”

Japan GDP

Quarterly growth, %



Source: The Cabinet Office

Further, there has been heightened tensions around the contested Senkaku/Diaoyu islands.

Defence Ministry and Japan Coast Guard data shows that a record 289 Chinese government ships entered waters around the islands in the first three months of the year, up 57 per cent over the same period last year.

Tokyo lodged a protest with Beijing on May 8, after two China Coast Guard ships chased a Japanese fishing boat in territorial waters controlled by Japan but claimed by China. There were also incursions in early May, amid Beijing’s insistence that the boat had been in Chinese waters, blaming Tokyo for “creating new conflicts”

Japan’s National Police Agency had in April formed a new heavily armed 151-strong unit on Okinawa to protect the contested islands from invasions and occupation. **ST**

Japan plans new stimulus package, lifts state of emergency

Second booster round brings total support value to over \$2.7 trillion, or 40% of GDP

WITH AN EYE ON FIRING UP AN economy in recession, Japan is planning a second round of stimulus bringing the total value of its Covid-19 rescue package to over 200 trillion yen (\$2.7 trillion), or a whopping 40 per cent of its gross domestic product.

And with the number of daily infections on the decline, Prime Minister Shinzo Abe completely lifted the state of emergency on May 25, six days ahead of its planned expiry on May 31.

The latest round of stimulus announced by Mr Abe brings the total package well above the previously pledged 117.1 trillion yen and was passed by the Cabinet on May 27.

It includes more support for small and medium-sized enterprises, including rent waivers and interest-free loans of up to five years, as well as payouts of 200,000 yen for every medical front-line worker.

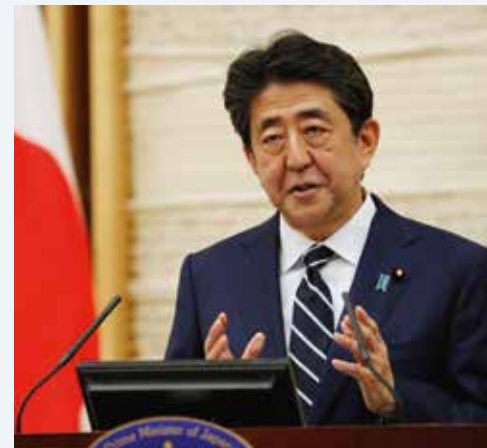
The emergency decree was first declared on April 7 and then later expanded nationwide, before being progressively lifted last month. It ended in many regions earlier this month.

Japan’s economy shrank 3.4 per cent in the last quarter from a year earlier and economists say it could decline as much as 20 per cent in this quarter.

Yet the end of the emergency declaration ushers in an uneasy “new normal”, with the Prime Minister telling a news conference on May 25 that a “new lifestyle” predicated on the fact that the virus is here to stay should be maintained.

This means that people are expected to continue wearing masks in public and practise social distancing, and there will be a phased easing of restrictions.

Travel between prefectures, for example, would continue to be discouraged until this month, though



In March, Prime Minister Shinzo Abe rode on China’s endorsement of Avigan to promote it as an effective treatment against the coronavirus even as medical experts remained sceptical. PHOTO: REUTERS

a major domestic tourism campaign worth 1.7 trillion yen is being planned for late July to stimulate the industry.

Companies should also continue practising teleworking or staggered hours, Mr Abe said, adding that he hopes Tokyo’s notoriously crowded, morning rush hour trains will not be repeated.

Japan has avoided the explosive surge in cases seen elsewhere.


Tokyo now allows restaurants to shut at 10pm, rather than the current 8pm, while gatherings will be limited to 50 people.

It is in its second phase of easing restrictions, allowing theatres, cinemas and retail facilities to reopen. Amusement parks and game arcades will resume operation in the last stage.

Japan will also conduct random antibody tests so as to find out how widespread infections have occurred and to calibrate its policy responses accordingly.

In a recent study by the University of Tokyo, antibody tests in 500 specimens returned 0.6 per cent positives. Extrapolating this to the capital’s 14 million people would mean as many as 80,000 had been infected, or about 16 times the official tally. **ST**

– Walter Sim



Assistant Professor
Danielle Anderson and
laboratory assistant
Velraj Sivalingam working
on the virus that causes
Covid-19 in a lab at Duke-
NUS Medical School.
The Duke-NUS Medical
School is also working on
a vaccine in collaboration
with American firm
Arcturus Therapeutics.
PHOTO: DUKE-NUS
MEDICAL SCHOOL

Special Feature

The Science of Covid-19

AUDREY TAN

Environment
Correspondent



✉ audreyt@sph.com.sg

TIMOTHY GOH

Journalist



✉ timgoh@sph.com.sg

Ever-changing profile of a silent killer with many questions left unanswered

The detectives of the microbial world are still learning more about the coronavirus

MANY THINGS HAVE CHANGED IN THE FIVE months since the world came to know of Sars-CoV-2, the long name for the tiny virus that has had an outsized impact on economies and societies.

And there may be more surprises – or shocks – to come.

Scientists – the detectives of the microbial world – are still learning more about the virus, so that tests, drugs and vaccines can be developed to identify and treat those who are infected, and inoculate those who are not.

But as they peel back the layers of the unknown, it may seem that this virus is one that is ever-changing, leading to U-turns in public health policy.

At first, it seemed unlikely that those without

symptoms could spread the virus, so only those who were unwell were asked to wear a mask in Singapore. By April, it became clear that asymptomatic persons with Covid-19 were more common than previously thought – and could go out and infect others.

Now anyone caught in public without a mask faces a \$300 fine.

Several other questions about the virus still remain.

For instance, even though this virus is in the same family as the one that caused the severe acute respiratory syndrome (Sars) outbreak in 2003, why is it so much more contagious?

And why do some Covid-19 patients develop a severe form of the disease while others do not?

Safe distancing measures can buy us some time while the wait for a vaccine goes on.

As the Health Ministry's chief health scientist, Professor Tan Chorh Chuan, said in the early days of the outbreak: "To fight a war, you must know your enemy."

The Straits Times highlights what we know of the virus, and the gaps that remain.

PICTURE OF A KILLER

Piecing together a profile of a killer requires, first and foremost, knowledge about its identity.

And once that identity has been nailed down, the next step is to counter it.

The virus first surfaced in Wuhan, China, late last December, infecting workers at a wildlife market in China and causing them to exhibit pneumonia-like symptoms.

In its early stages, it was referred to simply as the 2019 novel coronavirus, or 2019-nCoV – a nod to how new and unknown this virus was.

But on Jan 12, scientists around the world were handed an important clue when Chinese scientists uploaded the genome of the coronavirus on a public database.

An organism's genome is unique to it, and helps scientists distinguish it from other viruses.

The genome of this coronavirus is made up of a single-strand genetic material known as RNA, which is made up of an “alphabet” of molecules known as nucleotides.

There are four different nucleotide bases that function as the basic building blocks for all RNA viruses – adenine (a), cytosine (c), guanine (g) and uracil (u). The way in which these four nucleotide bases are arranged is unique to each virus.

From this, scientists could tell that the virus was closely related to the one that caused Sars in 2003.

The virus' official name, Sars-CoV-2 – which was announced in February by the World Health Organisation (WHO) about a month after the release of the genome – reflects this relationship.

But unlike Sars, which caused about 800 deaths, Covid-19 has caused a far higher death toll, with more than 380,000 dead so far.

Scientists are still trying to find out why. And its genome may yield important clues.

Said Nanyang Technological University's (NTU) infectious diseases expert Julien Lescar: “The availability of the genome is a very important step and this information is used constantly.”

Genes refer to a specific sequence of nucleotides along the genome.

In humans, genes determine how we look and how we behave, as genes direct the type of protein – an important building block of cells, tissue and organs – being produced.

This is the same for viruses.

For instance, specific genes in the viral genome direct the production of proteins that are used to hijack a human cell.

Under a microscope, the virus that causes Covid-19 is spherical.

In the centre is its genome, which is surrounded by an oily membrane that has a “crown” of sugar-coated spike proteins protruding from it – hence the name “corona”, or crown.

It is these spike proteins, or S-proteins, that help the virus infect its host, by latching onto receptors on the human cell, the way a key fits into a lock.

This could have real-world implications.

“Some candidate vaccines target this part of the virus to elicit a protective immune response,” said Associate Professor Lescar.

“In principle, antibodies against the S-protein should be sufficient to prevent infection.”

Antibodies are elements of the human immune system.

By “capturing” the S-proteins before they latch onto the receptors on the human cell, these antibodies can prevent an invasion, said Prof Lescar.

But viruses are prone to mutation, which occur when the virus makes imperfect copies of itself, introducing variations along the way.

So far, the mutations in the coronavirus have made little difference in its ability to infect humans, said Dr Sebastian Maurer-Stroh, deputy executive director for research at the Agency for Science, Technology and Research's (A*Star) Bioinformatics Institute, who is involved in the surveillance of the viral genome.

Instead, the various “types” of the coronavirus observed so far were like similar vehicles carrying different licence plates, he added.

MODUS OPERANDI

So when does a coronavirus invasion begin?

Does it begin when virus-laden respiratory droplets enter the mouth, nose or eyes? Or can one get the disease from breathing in virus particles in the air? If the virus can be found in stool samples, can it spread via the faecal-oral route?

Scientists have raised all these possibilities.

But the WHO is clear.

“According to current evidence, the Covid-19 virus is primarily transmitted between people through respiratory droplets and contact routes,” it said on its website.

And in an analysis of 75,465 Covid-19 cases in China, airborne transmission was not reported, the global health body added, saying there have also been no reports of faecal-oral transmission of the virus to date.

But once in the human body, the virus can cause disease, and scientists are now trying to find out how exactly.

The virus begins its invasion by using its S-proteins to latch onto the receptors on the human cell. The ACE2 receptor on the surface of the human cell is a likely entry point.

COLLECTIVE FAILURE

It has been 17 years since the outbreak of Sars, and while there has been scattered research on coronaviruses since then, there was little coordination between research groups, and no useful drug or vaccine from that... That was where we collectively failed. It's great now that everyone is working on this, and the pandemic illustrates the need for real, international collaboration going forward.



– PROFESSOR JULIEN LESCAR, Nanyang Technological University's infectious diseases expert.

The virus first surfaced in Wuhan, China, late last December, infecting workers at a wildlife market in China and causing them to exhibit pneumonia-like symptoms.
PHOTO: AFP



★ OUTLAW ★ COVID 19

Last December, an unknown virus surfaced at a market in Wuhan, China. It has since exploded worldwide, thwarting efforts to contain it. A silent assassin, the virus is still shrouded in mystery. Doctors and scientists – the detectives of the microbial world – have uncovered some answers and are racing to develop an accurate profile.

AUDREY TAN and **TIMOTHY GOH** highlight the twists, turns and missteps in the fight against Covid-19, as the world strives to keep up with its tricks.

What is a genome?

- The RNA of the virus is made up of an “alphabet” of molecules known as nucleotides. It has four different nucleotide bases that function as the basic building blocks – adenine (a), cytosine (c), guanine (g) and uracil (u).
- The way in which these four nucleotide bases are arranged is unique to the specific virus, similar to how human fingerprints can help to differentiate one person from another.

Disguises

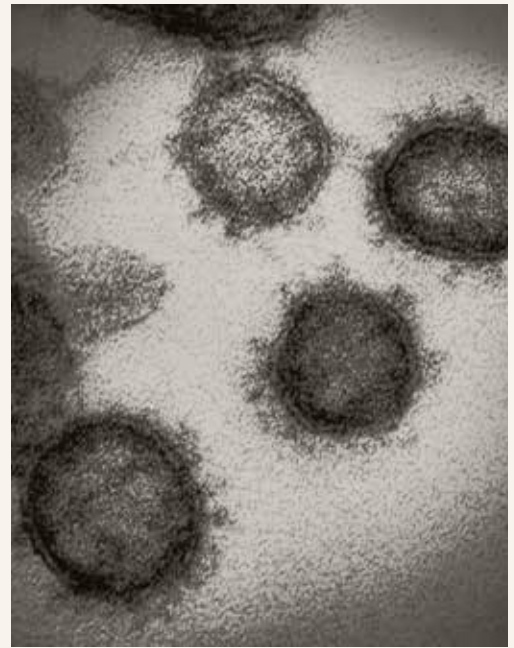
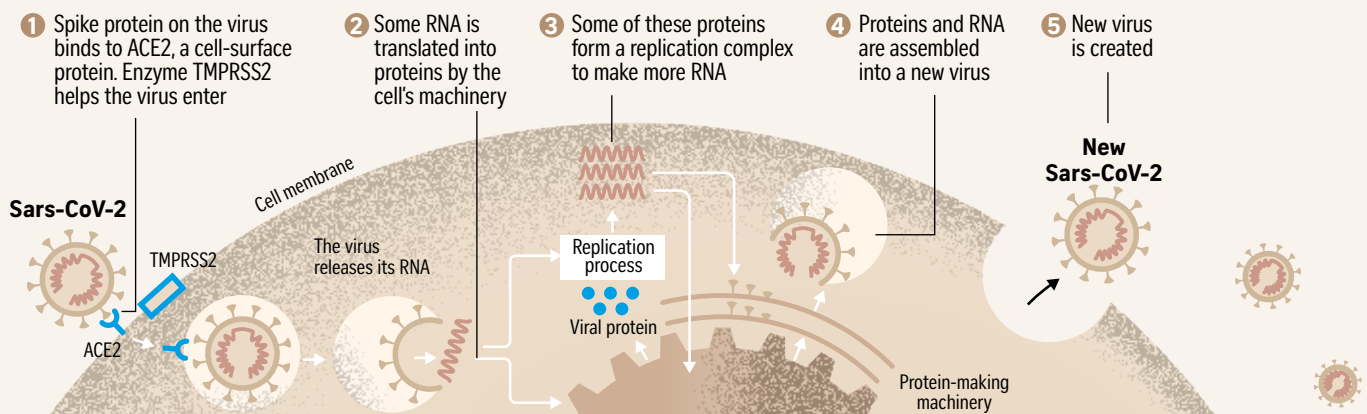
All viruses are prone to mutation, and Sars-CoV-2 is no exception. But whether it has mutated in a way that helps it spread faster or makes it more deadly is the subject of ongoing research.

What is a mutation?

- The genome of the virus causing Covid-19 has about 30,000 “letters” in all. In comparison, the human genome is about three billion “letters” long.
- Mutation occurs when the virus copies itself but makes typos in the process, causing some letters in some positions to be exchanged. For example, when a is swapped with c at position 24073, it is called an A24073C mutation.

MODUS OPERANDI

How Sars-CoV-2 replicates



Biography

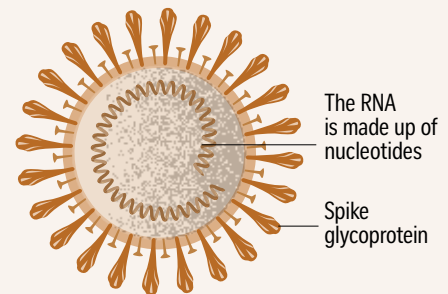
Name: Sars-CoV-2

This virus is in the same family as the one that caused the outbreak of the severe acute respiratory syndrome (Sars) in 2003.

Disease caused: Covid-19

Symptoms: Mainly fever, dry cough and tiredness. Less common symptoms include aches, nasal congestion, headache, conjunctivitis, sore throat, diarrhoea, loss of taste or smell, or a rash on skin or discoloration of fingers or toes.

Lives claimed: More than 380,000



DETECTION

In an outbreak of an infectious disease like Covid-19, diagnosing patients is a key first step to preventing its spread.



Polymerase chain reaction (PCR) tests

- This method, which makes use of a process known as PCR, is considered the “gold standard” method as it can detect small amounts of viral genetic material in patient samples. This PCR technique amplifies the genetic material of the virus so that it can be easily detected and analysed.
- But it is time-consuming and technical, since it involves expensive machinery that also requires trained technicians to operate. Turnaround time for results could take up to a day.



Rapid diagnostic tests

- These tests allow speedy diagnosis to be done, with some designed to be as fuss-free as a pregnancy test.
- These point-of-care test kits do not require specimens to be sent to laboratories, unlike PCR tests. These tests are still a work in progress.



Serology tests

- These tests detect the presence of antibodies produced by the immune system against the virus.
- Patients have antibodies around two weeks after they recover from the infection and will not have them at the point of infection.
- It remains inconclusive whether antibodies are always protective, or how long immune memory would last against Covid-19.

ELIMINATION



Vaccines

- Vaccines are a preventive strategy that could inoculate the vast majority of the population before they get infected.
- Local company Esco Aster is working on a “chimeric vaccine” in collaboration with Vivaldi Biosciences. Made by joining antigens from the Sars-CoV-2 virus with a protein “backbone” from the flu virus, the vaccine will be able to grant immunity from Covid-19 and the flu.
- Duke-NUS is working on an mRNA vaccine in collaboration with Arcturus Therapeutics. The vaccine works by injecting part of the virus’ genetic material into the patient’s body, which then makes the part of the virus that its immune response needs to recognise and generate memory against. This allows the immune system to “recognise” the virus, kick-starting the production of antibodies, without actually exposing the patient to the risk of infection.



Antibody therapy

- Antibodies, which are found in the blood, are an important part of the immune system. They latch on to infected cells and “flag” them to the rest of the immune system, allowing it to begin destroying the disease.
- Lab-grown antibodies are injected into the patient’s bloodstream, serving as substitute antibodies.
- The Agency for Science, Technology and Research is collaborating with Chugai Pharmabody Research on a therapeutic antibody to fight Covid-19. It works by binding itself to the crown of the virus, preventing it from attaching itself to human cells.



Sources: THE ECONOMIST, NATURE, ST FILE, WORLD HEALTH ORGANISATION, A*STAR
PHOTO: AFP STRAITS TIMES GRAPHICS

Once in, the virus releases its RNA into the human cell, and uses its host’s cellular machinery to replicate. Once the replication is complete, new viral particles are released from the host cell. The active replication and release of viral particles cause the host cell to die.

“Assuming that there is no immune response, the virus would invade cells in the lungs and multiply exponentially, killing cells as it infects them. This would cause great damage to the lungs,” said Dr Poh Chek Meng, research fellow at A*Star’s Singapore Immunology Network.

This is why people who have compromised immune systems can get severe bacterial and viral infections easily.

In the case of most people, however, the immune system responds to fight off the virus, said Dr Poh. “Unfortunately, sometimes the immune system itself can cause damage to the lungs,” he added.

When a human host cell dies from the viral invasion, it releases molecular “distress signals” which trigger the formation of cytokines, an immune system element that flags the presence of a pathogen.

Cytokines cause inflammation to get the immune system to respond to potential danger and recruit more help.

Explained Dr Matthew Tay, also a research fellow at A*Star’s Singapore Immunology Network: “Cytokines instruct the body’s immune ‘soldiers’ to come to the area and search for pathogens to eliminate.” This also causes blood vessels in the area to dilate, letting more fluid through.

“This is usually helpful because it lets the soldiers come more rapidly,” said Dr Tay, adding that swelling is a by-product of this process. These responses usually work together to clear the infection from the body.

But sometimes, the immune system goes into overdrive, causing the overproduction of cytokines that could eventually damage the lung infrastructure.

This cytokine storm may also circulate to other organs, leading to multi-organ damage, or muscle and joint pain and fatigue, as well as abdominal pain, vomiting and diarrhoea.

While cytokines are first produced at the site of infection, they may spill over to other sites in the body, explained Dr Tay.

“This could occur when the virus multiplies too much, or the host’s immune response towards the infection becomes dysfunctional, causing the production of cytokines to become uncontrollably high,” he said.

Both Dr Poh and Dr Tay are part of a team of scientists that recently published a paper in the journal Nature Reviews Immunology on how Sars-CoV-2 causes disease in the body, and possible ways of treating it.

One strategy proposed in the paper was to deliver high concentrations of a soluble form of ACE2 – the receptor found on the surface of the human



Healthcare workers donning their protective gear at the community isolation facility at Singapore Expo. Unlike Sars, which caused about 800 deaths, Covid-19 has caused a far higher death toll, with more than 380,000 dead around the world so far. Scientists are still trying to find out why. ST PHOTO: KEVIN LIM

cell – which could potentially reduce virus entry into target host cells.

Dr Poh said such decoy strategies are already being used against other diseases, such as rheumatoid arthritis. “This decoy strategy may work against Covid-19, especially if the soluble ACE2 receptors get to meet the virus when injected into the body, and if they are injected at a sufficiently early point in the infection, before inflammation gets out of control.”

But more work needs to be done, he said, as the stability of the soluble ACE2 receptor in the human body is unclear at this moment.

FIGHTING BACK

But humanity has more than one tool in its arsenal to fight the virus.

Antibody therapy, which involves injecting laboratory-produced antibodies into a patient as a substitute for those generated by the immune system, is one promising area.

When antibodies detect the presence of a virus, they latch on to the infected cell, flagging the presence of the pathogen so other elements of the immune system can kick in to destroy it.

A*Star, for example, is working with Japanese pharmaceutical company Chugai Pharmabody Research on a therapeutic antibody for Covid-19.

This antibody targets the S-protein of the virus, preventing it from attaching onto a human host cell.

But in the longer run, vaccines are also being developed to help inoculate the population before they get infected. They work by injecting a small amount of a less-or non-infectious strain of the virus into a person, awakening the body’s protective response to it.

Home-grown biomedical company Esco Aster, for example, is working on a “chimeric vaccine” in collaboration with American biotechnology company Vivaldi Biosciences.

This vaccine is produced by joining antigens – the part of the virus that antibodies detect – from the coronavirus, with proteins from the influenza virus. The hope is that the vaccine, if rolled out successfully within the next year or so, could confer immunity against both Covid-19 and influenza.

The Duke-NUS Medical School is also working on a vaccine in collaboration with American firm Arcturus Therapeutics.

The vaccine works by first injecting part of the virus’ genetic material into the patient’s body.


This kick-starts a series of molecular processes, including the manufacture of viral parts that the human immune system remembers.

This allows the immune system to “recognise” the virus, causing the production of antibodies without actually exposing the patient to the risk of infection.

But NTU’s Prof Lescar said it could be a year or more before a vaccine can be developed and rolled out, due to the need for rigorous checks to ensure that it is safe for use on people.

While rapid diagnostic tests and antiviral drugs could be achieved sooner, he stressed that scientific inquiry is a marathon, not a race.

“It has been 17 years since the outbreak of Sars, and while there has been scattered research on coronaviruses since then, there was little coordination between research groups, and no useful drug or vaccine from that,” he said.

“That was where we collectively failed. It’s great now that everyone is working on this, and the pandemic illustrates the need for real, international collaboration going forward.” 

SALMA KHALIK

Senior Health Correspondent



✉ salma@sph.com.sg

Most Covid-19 patients not infectious after 11 days: Study

Time in hospital, resources can be cut if MOH incorporates findings into discharge criteria

HEALTH OFFICIALS HERE ARE LOOKING INTO A local study which suggests that more than 80 per cent of Covid-19 patients can be discharged after as early as 11 days, instead of having to test negative twice for the virus, as is the current practice.

Experts believe the findings can significantly cut down the time patients spend in hospitals and care facilities, and the resources needed to take care of them.

But the decision on whether to change the discharge criteria has to come from the Ministry of Health (MOH), which was informed of the study around mid-May.

The position paper, released on May 23 by the National Centre for Infectious Diseases (NCID) and the Academy of Medicine's Chapter of Infectious Disease Physicians, was based on a multi-centre study of 73 patients here.

It concluded that after 11 days of getting sick, most patients no longer pose a risk of spreading the disease despite continuing to test positive for the virus. This means they can be safely discharged.

The study showed that the positive tests "did not equate to infectiousness" as what they are detecting may be fragments of the virus or a non-viable virus – both of which cannot infect anyone.

The academy chapter involved in the paper represents more than a third of Singapore's 87 infectious diseases doctors from the public and private sectors.

NCID executive director Leo Yee Sin said: "Scientifically, I'm very confident that there is enough evidence that the person is no longer infectious after 11 days."

The only exceptions are patients with weakened immune systems, such as cancer patients receiving chemotherapy or people on immunosuppressant drugs following a transplant. The virus in them might remain viable for a longer period.

Dr Asok Kurup, who chairs the chapter in the academy, is equally confident about the results. The infectious diseases expert in private practice said: "Studies are still going on and we will get more data, but we will see the same thing as there is a great deal of science in this. So there is no need to wait."

The paper also refers to a "small but important study" in Germany of nine patients which found viral shedding from the throat and lung to be very high in the first week. But there was no more shedding by Day 8.

When asked why it took three days longer in Singapore, Prof Leo said the researchers here were "very conservative and counted till the very last drop".

Currently, the time when Covid-19 patients in Singapore are discharged is determined by negative results in two tests administered 24 hours apart.

Recently, 18 patients who had mild symptoms were released after spending between 38 and 51 days in a care facility, despite continuing to test positive. MOH said they were shedding "dead viral components", which, though detectable in testing, were inactive. They had to quarantine themselves for seven days after their release.

When asked about the new study, MOH said it "will closely study the position statement and evaluate how we can incorporate the latest evidence... into our patient clinical management plan".

It added that its management of Covid-19 patients is guided by the latest local and international clinical and scientific evidence.

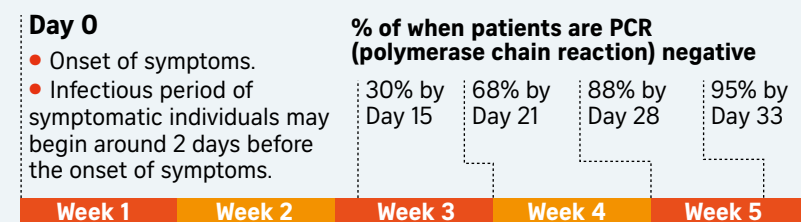
The researchers plan to publish the results in an international journal of repete. [S](#)

New Covid-19 finding could change discharge criteria

After 11 days, a person with Covid-19 is no longer infectious, although tests may still pick up the virus in his body, a local study has found. **Clara Chong** looks at how this finding could potentially allow many more patients to be discharged earlier, freeing up healthcare resources for testing and treatment.

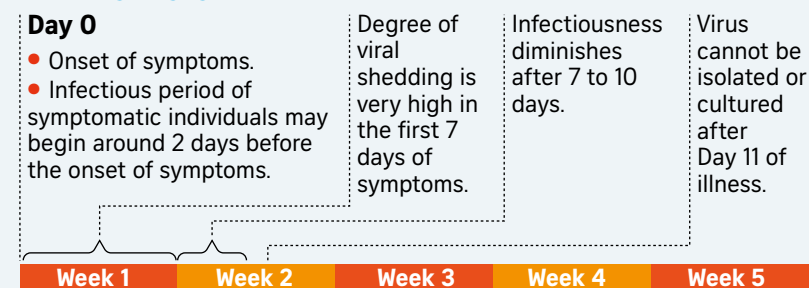
CURRENT DISCHARGE SYSTEM

Patients are discharged only after testing negative two times in a row over a period of 24 hours.



Note: Based on an analysis of 766 local patients (NCID data) and accumulated data since the start of the Covid-19 pandemic.

TIME-BASED SYSTEM



Note: Based on accumulated data since the start of the Covid-19 pandemic.

ABOUT THE VIRUS

Median incubation period
(the time from infection till the onset of symptoms)

Five days
(Ranges from 2 to 14 days)

Asymptomatic infection
(where a person does not have any symptoms despite being infected)
17.9% to 78%,
according to different studies.

Symptomatic cases

- About 80% have only mild symptoms and are relatively well.
- 15% develop more severe disease (mainly pneumonia).
- About 5% may require critical care.

Most common symptoms

Fever, dry cough, fatigue, shortness of breath, chills, sore throat, muscle aches, loss of smell, and headaches.

Sources: NATIONAL CENTRE FOR INFECTIOUS DISEASES, THE ACADEMY OF MEDICINE'S CHAPTER OF INFECTIOUS DISEASE PHYSICIANS SUNDAY TIMES GRAPHICS

15 frightening facts about Covid-19

1 Coronavirus survivors could suffer severe health effects for years

Small-scale studies conducted in Hong Kong and Wuhan, China, show that coronavirus survivors grapple with poorer functioning of their lungs, heart and liver. Chronic cardiac complications could arise in patients even after recovery as a result of persistent inflammation, according to an April 3 paper by doctors at the Cedars-Sinai Medical Centre in Los Angeles. They based their analysis on patient data from Italy and China.

2 Coronavirus can cause a victim's blood to curdle

A report in *Wired* on May 7 said that the coronavirus can cause a victim's blood to curdle, while *The Washington Post* reported that the formation of these blood clots can be dangerous, as seen in autopsies where some people's lungs were found to be full of hundreds of microclots



3 Other effects include confusion, seizure, strokes

A study published in the *Journal Of The American Medical Association* in mid-April found that 36.4 per cent of 214 Chinese patients had neurological symptoms ranging from loss of smell and nerve pain to seizures and strokes. The virus can affect the brain in one of two main ways: one is by triggering and inflammation of the brain while the second is direct infection of the brain, called viral encephalitis.

4 Skin rashes and "Covid toes"

Skin conditions affected about 20 per cent of 88 Covid-19 patients analysed in the Lombardy region of Italy according to the *Journal of the European Academy of Dermatology and Venereology*. Most of them developed a red rash on their torsos, while a few suffered hives or blisters resembling chickenpox. "Covid toes" characterised by purple, bruise-like bumps and swelling on the feet have also been recorded.

5 Covid-19 patients' stool may have live virus

A study by Chinese scientists found that Covid-19 patients' stool may contain infectious traces of the virus, raising the possibility of a faecal-oral transmission route. While authors of the study had shown that the virus was alive and infectious in cell culture, the presence of infectious virus in stool is not proof that faecal-aerosol transmission can take place.

6 Coronavirus capable of spreading through speech

Microdroplets generated by speech can remain suspended in the air in an enclosed space for more than 10 minutes, a study published on May 13 showed. Scientists estimated that each minute of loudly speaking can generate more than 1,000 virus-containing droplets capable of remaining airborne for eight minutes or more in a closed space.

7 Eyes a key route of infection by coronavirus

A study made public by the University of Hong Kong on May 8 found that the coronavirus is much more efficient in infecting the human conjunctiva – the tissue lining the surface of the eye – in addition to the upper respiratory tract.

8 Covid-19 bug can persist in air for hours and on surfaces for days

According to a study in the *New England Journal of Medicine* on March 17, the virus carried by droplets released when someone coughs or sneezes remains viable, or able to still infect people, in aerosols for at least three hours. On plastic and stainless steel, the virus could be detected after three days.

9 A parasitic virus

Under a microscope, the Covid-19 virus has a "crown" of sugar-coated spike proteins protruding from it. When the spikes latch on to a healthy human cell, the virus gets internalised by normal cellular processes and injects its RNA into its new host cell. It replicates by further "hacking" the human cell to produce a full set of viral proteins which are assembled into new infectious viral particles.

10 Not all disinfectant products are effective against it

Antibacterial products do not kill the Covid-19 virus, which have different chemical and

biological make-up. While wipe-downs of surfaces are important, they are only effective when cleaning material have active ingredients like benzalkonium chloride and sodium hypochlorite that are effective against the coronavirus.

11 Coronavirus pandemic likely to last two years

The pandemic is likely to continue in waves that could last beyond 2022 said a report from the University of Minnesota on May 1. It is likely to last as long as two years and won't be controlled until about two-thirds of the world's population is immune.

12 Households represent the biggest reservoir of infections

While staying home has worked in reducing the rate of infections, the family acts as a multiplier, leading to the predicament of home infections in suburbs and working-class neighbourhoods across the globe. In Italy, experts have estimated that more than one million people could be infected with the virus at home.

13 Recovery does not mean immunity

There is currently no evidence that people who have recovered from Covid-19 and have antibodies are protected from a second infection, warned the WHO in April.

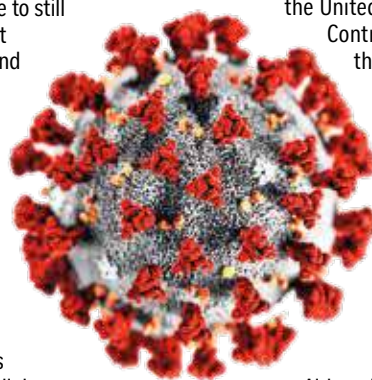
14 Silent but deadly

At least 10 people in Singapore got the coronavirus from those without symptoms, according to a study conducted in April by the United States' Centres for Disease Control and Prevention. The risk that such pre-symptomatic transmission poses has been a source of great concern especially because many measures to curb its spread, like temperature screening, rely on the symptoms showing in an infected individual.

15 Covid-19 and travel

Although you may be in separate rooms of a cruise ship, the ship's air conditioning systems can't filter out particles smaller than 5,000 nanometers, possibly carrying the virus to every cabin says Purdue University air quality expert Qingyan Chen. On airplanes, air carrying the virus could transfer to other people sitting in the same row as an infected passenger or a neighboring row. [ST](#)

– Compiled by Dominique Nelson



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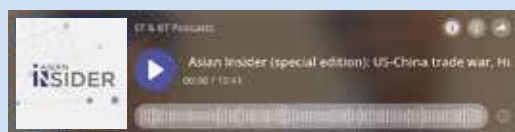
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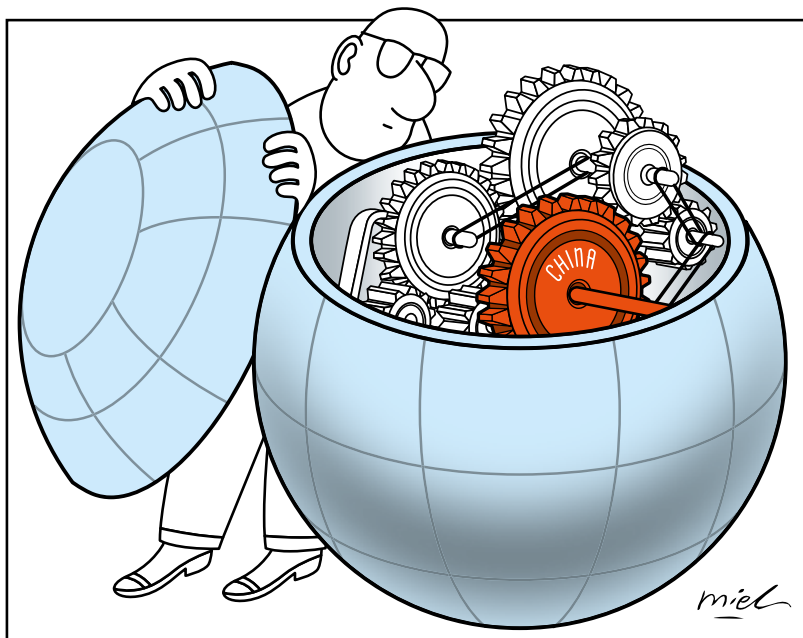
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Disruption of supply chains



ST ILLUSTRATION: MIEL

Breaking up is hard to do – why China is a key node in supply chains

Covid-19 has highlighted the risks but manufacturers are working around them as China still holds many attractions

IN MAY, THE CHIEF EXECUTIVE OF A COMPANY that runs the Performance Bicycle Web store in the United States sent a letter to customers entreating patience for what was a happy problem for the firm – the inability to fulfil orders fast enough, caused in part by increased sales.

As shelter-in-place – or stay-at-home – directives started spreading across the country from March to contain the Covid-19 pandemic, most Americans had little choice but to shop online, leading to a spike in demand for the cycling Web store's products.

However, because the demand surge was coupled with a shortage of workers, as some were

uncomfortable about going to work, the e-tailer was not able to deliver the products within the usual timeframe. And even when it was able to hire more staff, it was hit by another problem – product shortage because of the coronavirus outbreak in China that led to factory closures from just before Chinese New Year in late January to late February when factories started reopening.

CEO Kendall Bennett wrote: “Although only a portion of the products we sell come directly from China, many we found have parts or components that rely on their manufacturing, and that has made it difficult to procure enough inventory to meet demand.”

While China has opened up, “the shipping lanes were flooded with the backlog of orders that never got out before Chinese New Year”, he wrote, adding that he believed “inventory scarcity could last another 60-90 days.”

The product shortage problem of an American bicycle shop during this Covid-19 pandemic underscores the importance of China's role in global supply chains, not only as an assembler but also as a producer of intermediate products.

As IHS Markit Asia-Pacific chief economist Rajiv Biswas noted, China – over the past three decades – has established itself as the “factory of the world”, playing a key role in global exports of a wide range of industrial materials, intermediate goods and finished products for the global industrial supply chain in many sectors, including textiles, electronic components and engineering products.

Indeed, China is the top manufacturing country in the world and is responsible for 28 per cent of global output. Many countries, especially in Asia, rely on Chinese intermediate goods, said Rabobank senior economist Raphie Hayat. Asian countries import on average 29 per cent of their intermediates from China. For the US, it is 10 per cent.

However, the problem of Performance Bicycle multiplied many times throughout the world has led to what one analyst described as a “clarion call” to diversify supply chains away from China.

In fact, such diversification has already been taking place over the past decade. Rising factory wages have led to many companies gradually shifting their manufacturing supply chain for low-cost goods such as textiles and electronic components away from China. This process accelerated last year as a result of the US-China tariff wars. The massive supply chain disruptions arising from pandemic-induced factory shutdowns will intensify pressures for firms to reassess their reliance on China.

The trade war and Covid-19, said Dr Hayat, “are

GOH SUI NOI
Global Affairs
Correspondent



✉ suinoi@sph.com.sg

a bit of a wake-up call for international companies that they might not want all their key inputs to come from one country.”

Some governments are getting into the act, providing assistance to their companies to pull operations out of China. Japan, whose carmakers have had to scale back production in February because Covid-hit Chinese factories could not supply needed parts, has earmarked US\$2.2 billion (\$\$3.1 billion) to help its companies move their production away from China. The US is exploring tax incentives and reshoring subsidies to nudge American companies to move out of China.

But these incentives are unlikely to entice many firms beyond those that have already decided to leave. This is because subsidies may be withdrawn in times of fiscal austerity. For companies, what matters more are factors such as wages, skills of the workforce and ease of doing business, and for those looking to sell goods within the country, the domestic market size and growth, said Dr Hayat.

Indeed, most foreign firms have no plans to move out of China because of Covid-19, as surveys by business groups show. Instead, many are finding other ways to build resilience into their supply chains. The reasons for this are myriad.

REASONS FOR STAYING PUT

Commenting on two surveys conducted recently, Mr Alan Beebe, president of the American Chamber of Commerce in China (AmCham China), said: “In contrast to some global narratives, our China-based data suggests that the majority of our companies will not be packing up and leaving China any time soon.”

AmCham China conducted the two surveys with the American Chamber of Commerce in Shanghai (AmCham Shanghai) – one in October last year and another in March this year – to study the supply chain impacts of the trade war and Covid-19 respectively on US companies operating in China.

The earlier survey of 70 companies showed that less than 20 per cent of responding firms had begun relocating manufacturing outside of China in the prior two years to mitigate the negative impact of increasing tariffs. This is despite 90 per cent of the firms saying their supply chains were affected by the trade dispute.

Instead of relocating, most firms were focused on operational improvements and digital transformation to improve the competitiveness of their supply chains in China. They have also increasingly adopted an “in China, for China” supply chain strategy with respect to manufacturing and sourcing to meet the demand in the China market.

The second survey – of 25 firms from the original group – showed that in the short term, over 70 per cent of firms had no plans to relocate production and supply chain operations or sourcing outside of China because of Covid-19. Only 12 per cent planned to shift production while 24 per cent planned to move sourcing out of China.



While certain companies in certain industries may diversify away from China or even expand manufacturing operations in the US, given the current climate, “this is a costly, time-consuming and largely irreversible process”, Mr Beebe said.

Mr Joerg Wuttke, president of the European Union Chamber of Commerce in China, said a recent survey showed only 10 per cent of European firms were considering leaving China because of Covid-19, while another 10 per cent were considering going to China. “So it’s like a revolving door,” he said.

That China is able to get a head start in recovering from the global pandemic-induced production paralysis may blunt the push to get out. As OCBC Bank head of Greater China research Tommy Xie noted, “multinational companies may feel lucky their factories in China are the only ones still open in April”.

Another reason for companies to stay put: China’s huge market with a population of 1.4 billion.

Mr Wuttke pointed out that the China-US trade war had actually led German carmakers BMW and Mercedes-Benz to expand their production of sport utility vehicles (SUVs) in China because the additional tariffs had made their US-made SUVs, which were being exported to China, uncompetitive.

“What will keep us here is that growth potential is just enormous,” he said, noting that China’s gross domestic product per capita, at close to US\$10,000, is just 16 per cent of the US’ and 21 per cent of Germany’s, leaving plenty of room for growth.

“So where do you want to go?” he asked. “Size matters.”

Beyond its huge market potential, China has stronger manufacturing clusters, better infrastructure and higher-skilled workers compared with places like Vietnam, which has attracted firms relocating from China. Also, while some parts of China have become costly for manufacturers, it is less so for less-developed areas such as Zhengzhou, Chongqing, Chengdu and Xian.

And then there is the sheer capacity of China to supply specific inputs on a very large scale that cannot be matched by most individual countries. As one analyst put it: “There are more migrant industrial workers in China than people in Vietnam.” (China has 288 million migrant workers; Vietnam’s population is 95.5 million).

Employees producing clothes for an online sale in the Gonoy Clothing Company factory in Guangzhou, China. Rising factory wages have led to many companies gradually shifting their manufacturing supply chain for low-cost goods such as textiles away from China, says the writer.

PHOTO: EPA-EFE

However, the problem of Performance Bicycle multiplied many times throughout the world has led to what one analyst described as a “clarion call” to diversify supply chains away from China.

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Given these advantages and the difficulties of moving supply chains, some firms are adopting a “China plus one” strategy, shifting some production out of China for diversification, but not all of it.

ONE OF SEVERAL NODES

There is no denying that the trend of diversification of global supply chains away from China will continue – if not at the speed and scale predicted – as costs rise and spurred on by the trade war and Covid-19.

Some of this is encouraged by China as it seeks to move up the value chain and improve the environment of its cities. As some analysts point out, a move to cleaner, less space-intensive manufacturing will free up land for other uses such as much-needed residential estates.

Some of the diversification will be driven by other governments for security reasons, to move production of critical goods like pharmaceuticals closer to home or to the home country.

Some firms will relocate to other countries in Asia to build resilience into these chains. Even Chinese companies are doing so, noted Mr Xie, adding that regionalisation is a trend that China will pursue. China and Chinese companies need friends, he said, and the region is their first choice, given the large

domestic markets and number of skilled workers.

The Economist Intelligence Unit sees the outcome of recent trends as leading to an Asian supply chain network that is less China-focused and more diverse. The same will happen in other regions, so there will be quasi-independent regional supply chains that will provide global companies with a hedge against future shocks to their network.

As Hong Kong-based economist Alicia Garcia-Herrero put it in a webinar recently: “The world is going to move to several nodal points in the global value chains in different continents”, and China will be an important, but not the one and only, nodal point.

When this happens – in the long term as supply chains are hard to set up and move – China need not lose too much sleep over it if the country carries out the economic reforms that it has pledged to implement in the wake of Covid-19, including measures to enhance migrant worker mobility and boost domestic consumption. For it will remain an important player in global supply chains, particularly in high-tech industries such as telecommunications, robotics and artificial intelligence. And it should be transitioning to a consumption-led economy from its investment and export-oriented one now. [ST](#)

10 changes in the future of supply chains because of Covid-19

- 1 Hybrid of brick-and-mortar with online offerings**
Instead of brick-and-mortar stores disappearing, expect to see more online businesses invest in the offline economy, such as food retailing or logistics. Omni-channel supply chains will become the norm.
- 2 Lean is not agile**
We will not just see the further emphasis on omni-channel routes to market, but also omni-supply ones.
- 3 Anywhere But China (ABC)**
ABC will increase as we move ahead in the post Covid-19 world. Japan has earmarked US\$2.2 billion (\$3.07 billion) of its stimulus package to help its manufacturers shift production out of China. The Modi government is jumping on the bandwagon
- and trying to attract companies to set up in India. Will we see a mass exodus overnight? Probably not, but it is a good reminder to logisticians that we should always be looking at the optimum place to source, make and sell.
- 4 Online shopping to grow**
There has been a huge increase in online grocery shopping, with many customers trying out the channel for the first time. These new customers are here to stay, albeit not completely online.
- 5 Rise of logistics real estate**
Logistics real estate has increased in demand as blank sailings, grounded aircraft and congestion at load and destination ports means inventory needs to be held in warehouses. The pandemic may also
- accelerate the use of automation and robots in operations and reduce the sector's reliance on labour.
- 6 Shopping locally**
To avoid crowds at larger stores, many people will continue shopping for their essentials at smaller local retailers.
- 7 Driverless and drone deliveries**
Driverless vehicles or drones have already been deployed in places like Wuhan, Dubai and Singapore, but with social distancing and reduced human contact, these solutions will attract increased interest.
- 8 Near-shoring**
While China may be the world's factory, it imports the majority of its raw materials; around 50 to 70 per cent of the world's copper, iron ore,
- metallurgical coal and nickel is also consumed by China to produce goods used all over the world. A risky dependence on extended and convoluted supply chains have surfaced vulnerable nodes in global supply chains, and this will lead to production and sourcing moving closer to end-users, and companies choosing to localise their supply chains. In the near to medium time frame, there will also be an increased focus and interest in nascent technologies like 3D and 4D printing.
- 9 Rise of the gig economy**
The pandemic has increased the need for temporary and flexible job roles to be fulfilled as firms tend towards hiring independent contractors and freelancers instead of full-time employees to ride
- the spikes and troughs in labour requirements. This is an unhealthy trend as the gig economy undermines the traditional economy of full-time workers who rarely change positions and instead focus on a lifetime career. Health benefits, job security and career advancement are sacrificed at the expense of perceived flexibility and higher initial earnings.
- 10 Digital transformation**
One positive impacts to come out of the crisis is a wider recognition by firms of the value of Industry 4.0, specifically in digital transformation in areas such as robotic process automation and artificial intelligence. This is a wake-up call for organisations that have placed too much emphasis on low-cost, low-skilled labour to execute tasks.

Adapted from a commentary in The Business Times by Raymon Krishnan, editor-at-large of CargoNOW magazine

Playing China by feeling the stones

Despite the grim geopolitical outlook, China offers many business opportunities still. But proceed with caution

ANYONE WITH DOUBTS ABOUT THE TRAJECTORY of United States-China near-term ties need only to watch the online seminar in early May where US Deputy National Security Adviser Matt Pottinger delivered the keynote address at the Battle Symposium organised by the Miller Centre.

Sitting inside his White House office, American flag in the background and speaking fluent Mandarin, the former Marine Corps officer issued what sounded nothing less than a call for the Chinese to stand against their leadership, drawing from memories of the May 4 Movement 101 years ago.

American leaders do have a habit of standing up for freedom and democracy wherever they go; President Bill Clinton did as much with his counterpart Jiang Zemin while in Beijing, and when Mr Jiang visited him in Washington. But, even by those standards, this was baiting of an extraordinary degree.

At the same seminar, Dr Yen Duong Pottinger, Mr Pottinger's Asian American spouse, a recognised health expert who previously worked for the US Centres for Disease Control and Prevention, made useful points about US-Chinese cooperation. It proved beneficial in the fight against HIV-Aids, and more recently, in the dissemination of valuable data on the Covid-19 disease, shared in the early days of the pandemic by Chinese scientists.

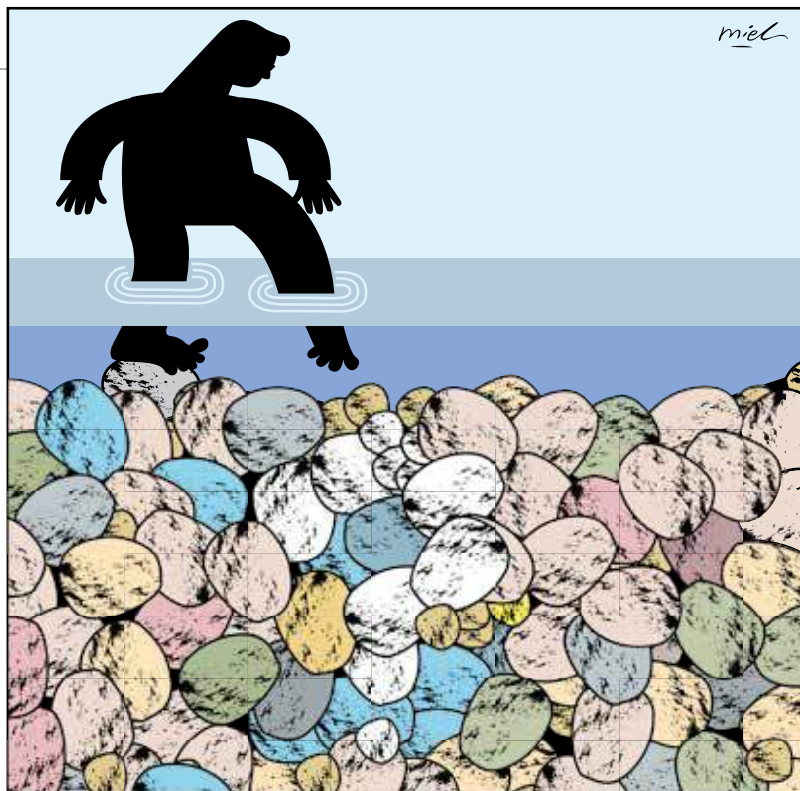
Besides, she pointed out, who's to know where the next new virus might strike. And doesn't that make a cooperative relationship vital? But who's listening.

The geo-strategic picture, therefore, is not only far from pretty, it is poised to get uglier. Deglobalisation, nationalism, racism and xenophobia – every base human instinct – is more likely to sharpen than get muted, with attendant effects on the global economy.

Take global trade, which once used to outpace national economic growth. Forecasts suggest a fall of 15 per cent this year, three times the projected shrinkage of national economies. Across industries, and particularly in technology, the move to diversify the supply chain away from China has gained pace with the Covid-19 pandemic.

A seasoned China hand told me Beijing was lucky that the outbreak took place in Wuhan instead of Dongguan, which sits even more tightly in the heart of global supply chains.

Destined to prosper – or muddle along – in the mainland's giant shadow, this is a fraught situation for every significant Asian economy. Some have



ST ILLUSTRATION: MIEL

sensed geopolitical opportunity in the boardroom anxiety to diversify risk; Japan has already set aside US\$2 billion (\$2.84 billion) to help its companies relocate from China. Indonesia, India and others are trying to see if they can pick up some of the flow.

For South-east Asia, caught between Asia's various tectonic plates, if ever a situation called for what Deng Xiaoping called "crossing the river by feeling the stones", it would be now.

But how do you play China without losing your shirt? That is the question.

Let's start with the obvious. No economy can replace China's importance to the region. It takes the combined gross domestic product (GDP) of Japan, South Korea, the Asean-10 and India to make up its equivalent. With its deep domestic market, it has the best chance of bouncing back.

Indeed, an Oxford Economics study on the economic impact of Covid-19 commissioned by private equity firm Flat Globe Capital Partners has the Chinese economy contracting 0.2 per cent this year and rebounding to 9 per cent growth next year. In a worst-case situation, it sees China's GDP shrinking 5.9 per cent this year.

CHINESE TOURISTS

So, looking past China is not an option. Indeed, there are low-hanging fruit waiting to be plucked and those probably must start with tourism, especially given the sector's high correlation to employment and other vital sectors like transportation.

Remember the aftermath of the 9/11 terrorist attacks on the US? Arab tourists who used to throng London's Oxford Street and New York's Fifth Avenue no longer felt comfortable bringing their families out West. Instead, many began looking East. Destinations

RAVI VELLOOR

Associate Editor



✉ velloor@sph.com.sg

While you do find the occasional dazzle-to-frazzle China story, a careful investor should be able to make good picks in sectors as varied as online education and grocery chains, the lesser known technology companies, and even in the health sector where the role of private enterprise is steadily expanding.



such as Malaysia and Thailand gained in the bargain.

A similar situation will present itself for Chinese tourists post-pandemic. Given the finger pointing and xenophobia that's emerged in Europe, the US and Australia, it's a fair guess that at least for the next two years, many Chinese would be reluctant to travel to those parts or spend big there.

Some 150 million Chinese travel out every year. Already, Chinese travellers make up a fifth of total inbound visitors in eight Asian economies, including Thailand and Singapore. Countries that can provide a good welcome to the Chinese stand to gain. So too can countries that can offer quality foreign education to Chinese students in the emerging environment, even if that is less easy to do so quickly.

Likewise, in manufacturing, many businesses are thinking through their pandemic experience. The Oxford Economics study suggests that countries that rely upon China to supply a high proportion of their manufacturing inputs saw a corresponding slump in the value of their own goods exports. Currently, the markets most reliant on Chinese intermediate goods for their manufacturing are Cambodia, Vietnam, Australia, Malaysia and Thailand.

In Vietnam, where goods exports had previously been rising at double-digit rates, partly on account of trade diversion to beat higher US tariffs on direct Chinese exports, export growth slowed to just 2 per cent in January-February from a year ago. In Thailand, industrial production was down almost 4 per cent over the same period.

Business people I spoke with talked of accepting the higher cost of manufacturing in an alternate destination – perhaps Malaysia or Thailand – to avoid geopolitical traps, especially if their operations had a high tech component.

What of the mainland itself?

CHINESE FIRMS AND COMMODITIES

Commodities exporters I know are thanking their stars that China lent their business valuable support in March, including in markets such as soya bean and corn. Some of it was because China still seeks to keep its end of the trade bargain it struck with the Trump administration. But some of the purchases, especially in South America, clearly had strategic intent.

Thanks also to intrinsic local demand, there is a measure of restocking across the commodities spectrum that, for instance, has revived the cotton market to a degree. A big commodities trader says he believes the China market will be even more critical in the second half of the year, when demand elsewhere is expected to crater as the full impact of the pandemic seeps through the global economy.

China, on the other hand, he says, can be expected to be “relatively stable” at the time.

A banker familiar with trade finance concurs with this assessment. Even countries such as Australia, which has risked Beijing's displeasure to take a tough approach towards it on the pandemic question, will be “smiling and dialling China, never

mind their geopolitical loyalties”, he says.

Private equity specialists – that most opportunistic of investors – also say there is a range of opportunities in China, now that valuations of even many healthy companies have come off.

While you do find the occasional dazzle-to-frazzle China story, most recently in Luckin Coffee, a careful investor should be able to make good picks in sectors as varied as online education and grocery chains, the lesser-known technology companies, and even in the health sector where the role of private enterprise is steadily expanding.

There are “plenty of babies being thrown out with the bathwater”, says a private equity specialist. Pick up a good Chinese company with an undeservedly low valuation, take it private, scrub it into better shape over a year or two and you could be in good money.

A Singaporean healthcare executive endorses the private equity person's optimism on healthcare. For instance, openings for the private sector in areas such as obstetrics and gynaecology have left Chinese patients willing to “splurge” on pregnancies and deliveries to be managed in the more pleasant environs of private hospitals.

But, he cautions, such investments cannot move faster than what Chinese culture and societal norms can accept. For instance, the Chinese continue to show overwhelming preference for public over private hospitals for highly invasive procedures and high-acuity diseases.

Others note that many Chinese women are willing to spend upwards of US\$50,000 to improve their smiles – another niche opportunity.

A WORD OF CAUTION

To be sure, caution is the watchword and it would be a knave who would put all his eggs in the China basket. Also, there's no alternate to a strong local partner to take care of the “real-world ambiguities Singaporeans find difficult to handle”, adds the healthcare executive, even as the flip side is that the stronger your local partner, the easier for him to do away with you once the business prospers.

“Many of us call it ‘tuition fee,’” he quips.

While diversification is indeed the need of the hour, China remains the prime manufacturing location in efficiency and reliability, despite the rising costs. Even American firms recognise this: Eight out of 10 US firms in China have no plans to relocate, according to the American Chamber of Commerce.

Expert investor Tan Chin Hwee, author of an acclaimed book on Asian financial statement analysis, says forensic accounting is essential before consummating any deal, even if the target company may look very strong.

In the post-Covid-19 environment, he says, chances are that more corporate frauds like Luckin Coffee will emerge, not fewer.

In other words, make the China crossing but mind the geopolitical swells above and the loose stones beneath. **SI**



Country Report

Knockout blow needed to end Muhyiddin-Mahathir fight

Feud between the two leaders has left Malaysia with a dysfunctional government

PRIME MINISTER MUHYIDDIN YASSIN'S FEUD with predecessor Mahathir Mohamad to take control of Malaysia has seen them fervently wooing lawmakers from the opposing camp in a bid to strengthen their hands.

But the see-saw battle between the two men has left Malaysia with a dysfunctional government, as the loose Perikatan Nasional (PN) ruling pact teeters close to the bare minimum support needed to stay in power.

While Tun Dr Mahathir must try to deprive Tan Sri Muhyiddin of a simple majority - 112 MPs in the 222-strong Parliament - the incumbent needs to increase the number of his MPs to stabilise his administration.

The past three months have been hard on the governing PN. Ruling with just 113 MPs and the strain of dealing with the Covid-19 pandemic has seen Mr Muhyiddin unwilling to face Parliament, with a March session postponed and no debates or votes seen in the controversial one-day meeting on May 18.

Respected technocrats and corporate figures at state agencies have been replaced with political appointees to shore up support while delays have afflicted plans such as the High-Speed Rail to Singapore that could help boost an ailing economy.

The latest casualty is the 12th Malaysia Plan, a five-year development blueprint which was supposed to be presented to Parliament in August. The Straits Times has sighted an official memo revealing the Cabinet has postponed the tabling to next year despite the 11th Malaysia Plan ending in December.

"Malaysia will continue to be rocked by political instability until one side can garner a clear majority, otherwise fresh elections may be the only option," global risk consultancy Eurasia Group's Asia director Peter Mumford told The Straits Times.

DOING WITHOUT MAHATHIR

Mr Muhyiddin sought rapprochement with Dr Mahathir after being sworn in on March 1. This would have reunited the two factions of Parti Pribumi Bersatu Malaysia and allowed him to keep the five MPs who were eventually removed from the party at the end of May.

Having the former premier by his side would have also brought in the likes of Sabah's ruling Warisan and a few smaller parties and independents allied to the 94-year-old statesman. The Perikatan

Both Prime Minister Muhyiddin Yassin and Dr Mahathir Mohamad are trying to woo MPs from the opposing camp in an attempt to strengthen their hands. PHOTO: REUTERS

SHANNON TEOH
Malaysia Bureau Chief



✉ shannont@sph.com.sg

CLEAR MAJORITY OR POLLS

Malaysia will continue to be rocked by political instability until one side can garner a clear majority. Otherwise, fresh elections may be the only option.



– MR PETER MUMFORD, global risk consultancy Eurasia Group's Asia director

Nasional (PN) pact's strength would have increased to about 130.

That door was slammed shut after Bersatu ousted Dr Mahathir's son Mukhriz as chief minister in the family's home state of Kedah in early May, following Dr Mahathir's push to hold a no confidence vote in his successor in Parliament. The premier blocked any chance of this during the unprecedented 45-minute May 18 sitting by ordering proceedings to end as soon as the King finished his annual opening speech.

Parliament will now only reconvene on July 13, meaning PN will not have passed any Bills for nearly five months since forming government despite already announcing three recovery packages costing RM45 billion (\$11.3 billion) to rescue an economy ravaged by the coronavirus. The Straits Times has learnt that in an effort to secure a greater majority by then, Mr Muhyiddin has dangled the vacant position of deputy premier, initially reserved for Datuk Seri Mukhriz in a bid to placate Dr Mahathir.

PKR president Anwar Ibrahim, whose party has 38 MPs, said on May 29 he rejected the position when approached, while sources revealed that Sabah chief minister Shafie Apdal – his Warisan has nine MPs – was offered the same.

"Anwar risks too much if he were to cross over because not only would others in Pakatan Harapan (PH) not follow, even some in PKR might refuse. So Shafie holds the key. If he joins PN, it will lock in Sabah and give Muhyiddin legitimacy," a source familiar with the negotiations said.

Datuk Seri Anwar leads the 91 MPs in PH, after the dispute between PM Muhyiddin and Dr Mahathir left Bersatu's membership of the former ruling coalition in limbo.

PAKATAN HARAPAN-PLUS?

Most PH figures are aware that they are unable to secure more than 112 MPs unless they affirm Dr Mahathir as their candidate for the premiership. Datuk Seri Shafie and MPs in Sarawak, especially from the ruling Gabungan Parti Sarawak (GPS), are unwilling to back an Anwar administration.

The Straits Times understands that PH leaders are trying to convince Mr Anwar to make way again – a mid-term handover agreed to prior to winning the 2018 election was left unfulfilled when Dr Mahathir was ousted in February. They believe that the PKR chief has room to cut a deal now that his former deputy Azmin Ali – whose faction was favoured by Dr Mahathir – has defected to PN.

"Anwar can demand the four Cabinet positions and control of policies and institutions that were handed to Azmin's camp before," one PH leader said.

If both Mr Shafie and Mr Anwar are satisfied, Dr Mahathir's camp believe they can convince some Bersatu MPs to return, using the founder's removal from the party this week as a reason to turn their backs on Mr Muhyiddin. Already, Sri Gading MP Shahrudin Salleh has quit as Deputy Works Minister on June 4.

But while this could bring Dr Mahathir's support to as high as 118, it would still be dicey as the King could decide that fresh polls are preferable to the instability of slim majorities.

As such, efforts to bring GPS' 18 MPs over to Dr Mahathir's side will be crucial to ensuring that if and when Dr Mahathir seeks an audience, the Palace will have no choice but to swear him in for a third stint as premier. But Sarawak looks to be slipping to PN, with PKR vice-president Jugah Muryang defecting and cancelling out the loss of Datuk Shahrudin. [ST](#)

How Malaysia's Parliament stacks up now

- Total seats: 222
- Minimum needed to control House: 112



PM Muhyiddin Yassin's supporters

Bersatu* (Muhyiddin bloc)	31	Barisan Nasional (BN) is a formal coalition between Umno, MCA and MIC. Umno also has an electoral pact with the Islamist PAS.
Parti Islam SeMalaysia (PAS)	18	
Gabungan Bersatu Sabah alliance (GBS)	3	
Malaysian Chinese Association (MCA)	2	
Malaysian Indian Congress (MIC)	1	
Gabungan Parti Sarawak alliance (GPS)	18	Umno and GPS have said they are not part of a formal PN** coalition but are backing Tan Sri Muhyiddin as PM.
Umno	39	
Independent	1	
Total	113	



Tun Dr Mahathir Mohamad's supporters

Democratic Action Party (DAP)	42	PH*** coalition now led by Datuk Seri Anwar Ibrahim, designated opposition leader in Parliament.
Parti Keadilan Rakyat (PKR)	38	
Parti Amanah Negara (Amanah)	11	
Bersatu* (Mahathir bloc)	6	
Parti Warisan Sabah (Warisan)	9	"Confidence and supply" partners of previous PH*** government, which back Dr Mahathir as PM.
United Progressive Kinabalu Organisation	1	
United Sarawak Party	2	
Total	109	

NOTES: *Bersatu – Parti Pribumi Bersatu Malaysia, split into Mr Muhyiddin's and Dr Mahathir's factions.

**PN – Perikatan Nasional, Mr Muhyiddin's loose alliance.

***PH – Pakatan Harapan, the opposition pact comprising PKR, DAP and Amanah.

Figures as of June 8

STRAITS TIMES GRAPHICS

India's \$3.8b plan to revamp Delhi area housing government buildings fuels criticisms



An artist's impression of the new triangular Parliament building next to the existing British-era circular one in the iconic Central Vista area of Delhi. PHOTO: HCP DESIGN, PLANNING AND MANAGEMENT

Critics have expressed concerns that the revamp will destroy the look of India's most iconic part and encroach on its green spaces

A MAJOR PROJECT TO REVAMP THE ICONIC AREA housing India's major government structures has come under fire both for its cost as well as its plans to construct a second Parliament and other new buildings.

The Central Vista revamp, estimated to cost the

country 200 billion rupees (\$3.75 billion), is seen as a legacy project by Prime Minister Narendra Modi but has been labelled a vanity project by critics.

Plans for the revamp kicking off with a new Parliament building have continued uninterrupted even as most economic activities had been on hold because of a lockdown due to the coronavirus pandemic. Measures aimed at reducing the spread of Covid-19 have been slowly easing but will last till at least end-May.

The Environment Ministry on May 1 cleared the way for the construction of a new triangular-shaped Parliament building, next to the existing 93-year-old, British-era circular structure, at a cost of 9.22 billion rupees.

**NIRMALA
GANAPATHY**

India Bureau Chief
In New Delhi



✉ gnirmala@sph.com.sg

Civil society groups, retired bureaucrats and opposition parties have objected to the ambitious revamp, questioning why the government is going ahead with it, particularly at a time of great economic distress. There was opposition to the plan even before the pandemic.

The pandemic has triggered massive job losses, stunted economic growth and forced hundreds of thousands of migrant workers to return home from the cities due to food and money shortages.

Ms Kanchi Kohli, an environmental governance expert with the Centre for Policy Research, said: "The present proposal of creating a new Parliament building, government central secretariat should neither be a matter of urgency or a priority. While the pandemic has thrown open the question of where expenditures should be directed, the Central Vista project is being questioned on many other grounds."

Critics have expressed concerns that the revamp will destroy the look of India's most iconic part and encroach on its green spaces.

Mr Sohail Hashmi, a writer and film-maker who conducts heritage walks in Delhi, said: "The so-called Central Vista redevelopment project was an absolutely unnecessary project when it was conceived. It was unnecessary and uncalled for from the heritage, architectural, environmental and aesthetic points of view."

A plan of the revamped Central Vista, the iconic area housing India's major government structures.

PHOTO: HCP DESIGN, PLANNING AND MANAGEMENT



The plans include demolishing several post-Independence-era government buildings which are not heritage buildings and constructing a Central Secretariat consisting of 10 buildings for all government offices. There will also be a new residence and office for the Prime Minister.



The Central Vista stretches across nearly 3km from India Gate to Rashtrapati Bhawan, the presidential palace.

The plans include demolishing several post-Independence-era government buildings which are not heritage buildings and constructing a Central Secretariat consisting of 10 buildings for all government offices.

There will also be a new residence and office for the Prime Minister.

The revamp will also see the North and South blocks currently housing the Prime Minister's Office and other major government offices converted into museums and a 20ha biodiversity arboretum to be carved out from the vast presidential estate.

The architect of the project has maintained that the plans will not dilute green spaces or change the iconic nature of the Central Vista in which British-era sandstone structures combine a European style with Mughal influences.

Architect Bimal Patel, whose firm HCP Design, Planning & Management is handling the revamp, said: "The architecture of the new buildings will of course be modern: rational, functional and true to contemporary construction material and techniques. It will also be akin to the much-loved colonial buildings and resonate with them without imitating them. In addition, the placement, shape and size of all the new buildings will preserve the formal order and symmetry of the original Central Vista."

"The proposed redevelopment aims to expand and modernise government facilities on the Vista to make them efficient, technologically advanced and environmentally sustainable," he added.

The government has been looking at India's 75th Independence Day in 2022 as a deadline but has yet to release any revised completion date.

The Vista is deeply tied into the country's history.

Delhi was the capital of the Mughal Empire during the rule of Emperor Shah Jahan from 1628 to 1658 and then again from 1911 after the British, who colonised India, moved the capital from Kolkatta.

The Vista area is called Lutyen's Delhi after Sir Edwin Lutyen, the British architect who planned the capital city during the British rule and designed the North Block, South Block and Parliament House.

A case is also pending in the Supreme Court on a technical issue of changing land use to start construction but the court has not halted the project.

Around 60 retired bureaucrats in an open letter to Mr Modi and Federal Housing and Urban Affairs Minister Hardeep Singh Puri said the "existing Parliament can be repurposed to meet the requirement of expansion and modernisation."

They added: "Indeed, this is the norm for all heritage structures including Parliament buildings all over the world."

They also noted that it seemed "particularly irresponsible" to go ahead with the revamp at a time of economic distress. "It seems like Nero fiddling while Rome burns." **ST**



Country Report

Bargain holidays for Vietnamese as focus turns to domestic tourism

MS HOANG NGOC DONG PHUONG, WHO LIVES IN Ho Chi Minh City, will be taking at least five holidays around Vietnam from May to September.

She told The Straits Times she has just been to Vung Tau city and Nha Trang, ticking off her list of seaside haunts. After that, the 33-year-old will travel to the former imperial capital of Hue, before heading up north to the mountain town of Sapa.

"Basically, the deals are very, very good," she said, referring to travel offers being dangled to entice locals to travel domestically.

Having contained the coronavirus pandemic so far, Vietnam is now first off the block in South-east Asia in trying to revive its tourism industry.

The government in early May flagged off a

"Vietnamese people travel to Vietnam destinations" campaign until the end of the year. Airlines, travel agencies and resorts are offering discounts of about 50 per cent or more to fill up resorts and restaurants bereft of guests while incoming flights are still banned. The local authorities have slashed or even waived entry fees to popular destinations like Halong Bay.

"With a population of more than 97 million people, and an increasing proportion of middle class, Vietnam has a domestic tourism market with huge potential," Mr Vu The Binh, vice-chairman of the Vietnam Tourism Association, told The Straits Times.

Domestic tourism will also help spur foreign travellers' confidence to visit Vietnam, he said.

People enjoying a drink at the Bia Hoi Corner in Hanoi's old quarter. In May, Vietnam's government flagged off a "Vietnamese people travel to Vietnam destinations" campaign. PHOTO: EPA

TAN HUI YEE

Indochina Bureau Chief



✉ tanhy@sph.com.sg



Workers waiting in the compound of the Temple of Literature in Hanoi after tourist spots began reopening. PHOTO: AFP

6-12%
Estimated portion tourism contributes to Vietnam's gross domestic product.

Bargain hunters have swooped in, eager to make up for the weeks cooped up indoors during a nationwide lockdown that ended on April 22.

Dalat, the highland getaway particularly popular with residents of Ho Chi Minh City, came alive as urbanites like Ms Tu Hong An flocked there.

"With the lockdown eased, I thought I should go somewhere," said the property consultant, who eventually spent the mid-May weekend at a Dalat yoga retreat.

People have not abandoned precautions, as seen on the packed flight from Ho Chi Minh City to Dalat. "Everyone was wearing a mask. It was extremely quiet on the plane as no one talked," Ms An said.

Vietnam had not reported any case of community transmission in more than a month.

While nearby Thailand – now seeing a single-digit daily increase in Covid-19 infections – has kept a lid on nightlife since mid-March and forced airlines and bus companies to keep seats empty to enforce safe distancing, Vietnam has reopened bars and massage parlours and lifted the empty-seat requirement on public transport.

Tourism is estimated to contribute 6 per cent to 12 per cent to Vietnam's gross domestic product.

"While international tourism is more visible, with the exception of small island economies, domestic tourism is always more valuable economically than international tourism," said Dr Nuno Ribeiro, senior

lecturer in tourism at RMIT University (Vietnam).

Local tourists made up 85 million of the 103 million travellers in Vietnam last year and spent the equivalent of \$21 billion. However, domestic tourists spend on average about half as much as their foreign counterparts, according to official statistics.

A tourism revival in Vietnam may help draw tourists to neighbouring countries too, said Dr Ribeiro.

But tourism companies say they will need to make longer-term adjustments if international travel is not restored next year.

"Domestic tourism has not reached its full potential," said Mr Vu Dinh Quan, general director of Ho Chi Minh City-based travel agency BenThanh Tourist.

If a vaccine is not available by the first quarter of next year, the tourism industry will adapt to serve local travellers and operators will have to learn how to survive on lower margins, he said.

"In general, there will be a lot of obstacles ahead, but Vietnam tourism will stay alive."

Ms Phuong, meanwhile, is conscious that her bargain holidays will not be around forever.

"I like discounts, but I can see that things are really difficult now for the restaurants and hotels," she said. "We need people to come back to Vietnam and lift the economy." [ST](#)



Special Feature

A city at a standstill: Singapore like you've never seen before

The morning jams are gone, Orchard Road is a ghost town and the tourists at Merlion Park have disappeared. To fight Covid-19, Singapore went into circuit breaker mode on April 7. The Straits Times executive photojournalists **Benjamin Seetor** and **Mark Cheong** document what the country looks like – from above – in these photos shot exclusively with a drone, in early May.

SUMIKO TAN
Executive Editor

✉ sumiko@sph.com.sg



A lonely Merlion spews water at Merlion Park on May 6 at 12.15pm. Usually a tourist favourite, the park has seen few visitors since the pandemic slowed inbound flights to a trickle, with short-term visitors no longer allowed to enter or transit through Singapore, in an effort to prevent coronavirus cases from being imported into the country. ST PHOTO: MARK CHEONG

Smith Street in Chinatown, seen on May 6, 2020, is usually bustling with tourists.
ST PHOTO: MARK CHEONG



IN A CITY THAT HAS HIT THE PAUSE BUTTON, it is the security officer you see the most often.

The crowds are gone but there he – or she – is, at an MRT station, ready to be of help.

You will spot him manning a desk at an office building in the now-deserted downtown.

Or sitting by the gate of a condominium where, in the units above, hundreds of people are at home serving out this Covid-19 circuit breaker period.

I, too, have been working from home since April 7. Save for a few runs to the supermarket and three trips to the office, I have stayed home.

My work days are marked by two daily virtual meetings. There is a structure, yet time has taken on a shapeless quality. Days drift. Is today Tuesday or Saturday?

An escape from the tedium comes when my colleagues Benjamin Seetor and Mark Cheong produce drone footage of Singapore under shutdown.

An area outside Ion Orchard, usually popular with shoppers and tourists, near-deserted on May 9 at 5pm. The once-bustling Orchard Road has become a quiet spot as people stay home amid the circuit breaker and tourists have disappeared, with travel restrictions imposed due to the ongoing pandemic.

ST PHOTO: BENJAMIN SEETOR



The view from the top is beautiful. Let me do a story to see what life on the ground is like, I volunteer.

I set off at 2pm on Wednesday, May 13, mask in place and hand sanitiser in my bag. I also have my media pass, just in case. (Journalism is an “essential service” after all.)

I will take the North East MRT Line from Kovan to Chinatown. From there, I will switch to the Downtown Line to the Marina Bay financial district, then head for the North-South Line at Raffles Place to get to Orchard.

Wednesday is the day after a few more businesses are allowed to open and the Kovan area looks busier than during my earlier supermarket runs.

But the MRT station is quiet. Only four others are waiting to take the train and there are only a handful of people inside it. On the floor, green stickers mark where you are to stand. Every other seat has an orange sticker where you can’t sit.



Clarke Quay on May 9 – a Saturday. Nightlife spots are now ghost towns as bars and entertainment outlets remain shut.

ST PHOTO: BENJAMIN SEETOR



Everyone is masked. When a woman in the next carriage sneezes, the elderly man opposite me doesn't bat an eyelid but I crane my neck to see who the culprit is.

SPACE AND PEACE

I am expecting to find Singapore under shutdown eerie. A country sapped of its soul. Sad. Desperate. Disaster movie.

What I find instead is something quite magical. It is a Singapore I have never experienced before, a city of space and quiet and peace and previously undiscovered beauty.

And while the grass on pavements is overgrown, it strikes me that everywhere I go, it is cleaner than usual.

I arrive at Chinatown station at 2.50pm and exit at Pagoda Street. It is, luckily, a cloudy, breezy day.

I see just three people in front of me. An old man carrying his lunch and a young couple – the man with a haversack and the woman with red hair.

The souvenir stalls along the street are all neatly shuttered with thick curtains.

In one corner of a stall, however, a stand has been left uncovered. It is stuffed with tourism pamphlets. "Save Up To 57% With The Singapore Pass" reads one with a picture of the Merlion. It is from another era.

Nearly all businesses in the shophouses are closed. A Guardian pharmacy is open but empty of customers.

Without people, the architecture of Chinatown calls out to be noticed.

Near South Bridge Road, I spot a side building of the Sri Mariamman Temple with a balcony. I'd never noticed before the intricate carvings on the facade.



A section of the Pan-Island Expressway and Central Expressway in Toa Payoh on May 5 at 8.30am. With many working from home, the morning rush-hour jams have disappeared.
ST PHOTO: BENJAMIN SEETOR



The area outside Toa Payoh Public Library, seen on May 5, 2020, at 10.15am, is usually packed with residents and office workers. ST PHOTO: BENJAMIN SEETOR



Singapore, Interrupted: An unusually quiet Raffles Place Park, on May 6 at 11.20am.
ST PHOTO: MARK CHEONG



Nary a ripple in the pools at Toa Payoh Swimming Complex on May 5 at 9.10am. The calm surface of the pools' waters remains undisturbed as sports and recreation facilities stay off limits.

ST PHOTO: BENJAMIN SEETOR

The temple, like its neighbours the Jamae (Chulia) mosque and Buddha Tooth Relic Temple, is closed. Later, I spot a passer-by standing near the Sri Mariamman Temple. Hands clasped, eyes shut, he prays.

At Kim Tee bak kwa shop in Sago Street, the sales assistant looks happy to see me even though I'm not buying anything.

She's had just three walk-in customers that day. When the store reopened on Tuesday, there was only one. But, she cheerfully shares, she has been busy with online orders.

By now it is 3.30pm. The train to the Downtown station is even emptier.

I head outside and step into The Lawn@Marina Bay, a lush, 13,000 sq m urban park popular with picnickers and kite fliers.

A group of foreign helpers are in one corner chatting away and keeping an eye on expatriate children on kick scooters. A few people – maybe from The Sail residence nearby – are walking their dogs.

The park is a beautiful space with a stunning view of the Singapore skyline. I feel at peace and wish I could linger but make my way to Raffles Place station. There's no other pedestrian in sight.

A construction site near Block 256 HDB Toa Payoh, seen on May 5 at 8.40am.

ST PHOTO: BENJAMIN SEETOR



The usually chaotic intersection of Finlayson Green and Collyer Quay is unrecognisable with just two, maybe three, cars whizzing by at any one time.

I stop by the conical red sculpture landmark in the middle of the junction. A sign there tells me that it is called Momentum and the 18m steel structure is a tribute to Singaporeans' "toil, strength and ingenuity".

It is now 4pm and I am on my way to Orchard station. I need a while to find my bearings when I arrive because I'm not used to seeing it so empty.

To get inside Wisma Atria, I use SafeEntry and my temperature is checked.

Wisma's underground link to Ngee Ann City is closed so I have to walk outside to get to the latter. Again, I check in via SafeEntry and my temperature is taken.

The mall's air-conditioner is on and Cold Storage supermarket in the basement is open. To enter, there's yet another round of checks.

The foodcourt next door is closed and the lights are off. But I can make out that the tables and chairs have been neatly stacked.

I buy a bottle of water and when I toss it into a dustbin, it lands with a thud. There're so few shoppers even the dustbins are empty.

I head outdoors to Ngee Ann City's Civic Plaza and other than a middle-aged woman standing by the edge with a bag of groceries, not a soul is in sight.

I stride across the wide, empty expanse of the plaza, wind in my hair, and know that this is a Singapore I will never experience again.

It is 5pm and I should be going home. There are more commuters now though the trains are nowhere near crowded.

Singapore may be on pause but having ventured out, I feel reassured that even in a disordered world, there can be order.

Shops are shuttered but secure. Trains are humming. Systems have been put in place for the country's eventual reopening. The security people are always there.

We will get through this. [ST](#)

COVID-19'S IMPACT ON WORK

Covid-19 pandemic hastens Smart Nation drive

With enterprises, institutions, workers, students and families going digital, Singapore is speeding up its embrace of digitalisation



DIGITALISE OR DIE.

The choice has never been so stark, and the consequence so immediate, as cities come to a standstill amid the raging Covid-19 pandemic that is forcing governments to shut down offices and schools to reduce transmission risks.

Overnight, many private and public institutions in Singapore have had to think of new ways to continue their operations as tightened safe distancing measures forbid eating out and mandate shutdowns of non-essential businesses.

The swift adoption of digital alternatives – from the rise in cashless payments to the use of messaging and social media tools to promote and sell hawker food – has been nothing short of startling.

In many ways, Covid-19 has accelerated digital transformation here, giving Singapore's Smart Nation projects a much-needed push.

1. CASHLESS DREAM FINALLY A REALITY

Physical handling of coins and notes is viewed as a viral risk, spurring many to go for cashless options.

The volume of cash withdrawals and deposits at Singapore's largest bank, DBS Bank, fell by an unprecedented 11 per cent during the three months from January to March compared with the same period last year. The rate of decline in cash transactions had hovered at around 5 per cent yearly since 2017.

Instant digital payment transfers have spiked for all banking customers. The Association of Banks in Singapore said 34.4 million PayNow transactions – instant payments using mobile phone numbers

– were made from January to April, nearly double last year's figure.

PayNow Corporate transaction numbers – payments received by organisations – went up five times from 600,000 to three million in the same timeframe.

Also, half a million migrant workers now have bank accounts.

Employers set up these accounts to pay salaries as physically contacting these workers was not possible after Singapore entered circuit breaker mode on April 7, requiring many businesses and schools to shut down and most people to work and study from home.

Last month, DBS added 41,000 new POSB savings accounts for migrant workers – more than three times the usual monthly sign-ups of 11,000 to 13,000. It has made the registration process fully online, with no minimum deposit required.

As at the end of April, the total number of POSB bank accounts belonging to migrant workers swelled to 500,000, about two-thirds of the work permit holders in Singapore, excluding foreign domestic workers.

2. WORKING FROM HOME THE NEW NORM

Working from home, once for the privileged few, is now the norm for the majority of office workers.

At the height of the circuit breaker, only about 17 per cent of Singapore's workforce commuted to work as they were in essential services.

Some workers might have struggled initially with cyber-security settings on laptops to dial into their

Since May 9, a four-legged robot has been patrolling Bishan-Ang Mo Kio Park to remind people of safe distancing measures.

ST PHOTO: GIN TAY

IRENE THAM
Tech Editor



✉ itham@sph.com.sg

In April, Singapore's first drone delivery service started, with the first parcel containing 2kg of vitamins dropped onto a ship anchored off Marina South Pier. It was part of a one-year deal inked between shipping giant Eastern Pacific Shipping and Singapore start-up F-drones.



office networks, or setting up videoconferencing calls involving multiple parties.

Having adapted to these now, some 90 per cent of employees here wish to continue working from home in some capacity, a survey by employee engagement and performance software provider EngageRocket found. It was based on responses from more than 8,800 people as of May 15.

Three out of five respondents also said they take less or the same amount of time to achieve the same productivity as when they are working in the office.

The ability to work from home will be a new and important perk in the ongoing talent war even after the pandemic blows over.

This will force employers to find ways to bolster productivity such as issuing laptops instead of desktops, and offering resources such as printers and accessories, firewalls and more reliable broadband connections.

3. MASSIVE HOME-BASED LEARNING PILOT

Studying at home went through a large-scale pilot for about a month from April 8 to May 4 when primary, secondary, pre-university and special education schools closed, and students turned to e-learning.

Teachers' appetites for technology vary, resulting in some students experiencing uncoordinated online delivery of lessons across Ministry of Education (MOE) schools and even within the same school.

Some teachers went through the motions by assigning online homework to students on the MOE-backed Student Learning Space without teaching or going through corrections. Others required paper worksheets to be scanned and uploaded onto hastily created shared storage platforms such as Google Drive for marking.

These are kinks to be ironed out.

The more progressive teachers created videos of themselves going over concepts and commonly made mistakes, and shared the link to these videos with their students.

They provide a model for other teachers, as schools reopened on June 2 after a month-long holiday.

More importantly, there is a need for coordinated pedagogical planning as half the lessons for most students will be home-based when schools reopen.

Home-based learning should not be an afterthought any more. Done right, Singapore's home-based learning system can offer the Republic a competitive advantage. Opportunities lie in redesigning courses meant for the physical classroom to suit online platforms, and infusing ways to maximise student engagement.

4. SMALL ENTERPRISES DIP TOES IN DIGITAL OCEAN

Many enterprises experimented with digital modes of sales during this pandemic.

Many old-school hawkers – who saw takings plunge by up to 90 per cent when the dine-in ban

kicked in on April 7 – are joining Facebook groups such as Hawkers United – Dabao 2020.

The page was started by duck rice seller Melvin Chew to help fellow hawkers promote and sell their food online. It has more than 260,000 members, including many food lovers who scour the posts to order food directly from the hawkers, typically over WhatsApp.

A related Facebook group dubbed Delivery United, which has 5,400 members, was set up in April to connect delivery drivers with hawkers.

The simple Facebook page connects hawkers directly with customers, bypassing delivery platforms such as Deliveroo and Foodpanda, which charge commissions of about 30 per cent. Hawkers say they cannot afford such commissions, given their low profit margins.

About 230 hawkers are also using an order form dubbed Take.sg, created by a software engineer at Facebook, to help hawkers organise orders received via WhatsApp. Take.sg also has a distance calculator to help stall owners quote delivery prices to customers.

Help is also available for small and medium-sized enterprises (SMEs) going digital. A mobile commerce tool by Nanyang Polytechnic's Singapore Institute of Retail Studies, payment services firm Nets and mobile payment firm SCash aims to help more than 2,000 SMEs set up their e-stores.

In a potentially significant move, Facebook is letting businesses set up free storefronts on its social network and Instagram, with payment options likely.

5. TELE-EVERYTHING

Telemedicine is more common now, as people avoid visiting clinics because of fears about Covid-19.

Daily calls from patients here to licensed telemedicine providers such as MaNaDr, WhiteCoat, Doctor Anywhere and MyDoc have shot up – by up to five times for some providers.

Via these platforms, patients can consult doctors from the safety of their homes, receive e-medical certificates and have medicine delivered to their doorsteps.

More public services have also gone online. A Bill was passed in Parliament in early May to allow couples wanting to tie the knot to solemnise their marriages via a video link. The first couple here to tie the knot via a video link did so on May 20.

Court hearings are also being held remotely via teleconference and videoconference for the first time.

6. ROBOTS INVADE PUBLIC SPACE

Robots have been unleashed for all kinds of tasks at no better time than this, when humans must minimise contact with one another.

The Spot robot dog has been patrolling Bishan-Ang Mo Kio Park to remind people about safe distancing since early May.

Originally developed by American company Boston Dynamics, Spot has been enhanced by GovTech with remote control, 3D-mapping and semi-autonomous operations as part of the trial.

The four-legged robot is on trial too at the Changi Exhibition Centre community isolation facility to deliver essential items such as medicine to patients.

In April, an autonomous robot known as O-R3 was deployed in Bedok Reservoir Park by national water agency PUB as a safe distancing ambassador.

There are plans to use more robots to patrol other parks and reservoirs.

Hundreds of disinfection and cleaning robots are also being rolled out in shopping malls, transport hubs and healthcare institutions to lessen front-line workers' exposure to the coronavirus.

Drones, which have already been deployed for

building and park inspection, are being used to deliver goods for the first time in Singapore.

In April, Singapore's first drone delivery service started, with the first parcel containing 2kg of vitamins dropped onto a ship anchored off Marina South Pier. It was part of a one-year deal inked between shipping giant Eastern Pacific Shipping and Singapore start-up F-drones.

In an interview with Money FM 89.3, Minister for Communications and Information S. Iswaran said the ongoing crisis has made more businesses see the value of digitalisation.

The closure of many traditional bricks-and-mortar shops – more than 8,600 closed down permanently in April, the highest monthly figure in years – is a grim reminder that time is a luxury few can afford now. [ST](#)

Briefs

Japanese funfairs prepare for new era

TOKYO – As Japan's funfairs slowly reopen, a group of park operators have released joint guidelines on how to operate safely under the threat of the virus.

Among the recommendations, thrill-seekers will be asked to wear masks at all times and "refrain from vocalising loudly" on rollercoasters and other rides.

"Ghosts" lurking in haunted houses should maintain a healthy distance from their "victims", the guidelines add.

Virtual reality attractions should not operate unless the special glasses or goggles can be fully sanitised, the guidelines suggest.

And perhaps to parents' relief, vendors will be asked to refrain from putting out toys or food samples for young visitors



Family members enjoying a ride at Toshimaen amusement park, on March 21.

PHOTO: REUTERS

to touch, play with or eat.

"These guidelines will not bring infections to zero, but will reduce the risk of infection," the operators admit, pledging to continue studying ways to bring down transmission risks.

– AGENCE FRANCE-PRESSE

Dancing with disinfectants in China

SHANGHAI – Nightclubs in China have mostly come back to life as owners and customers feel increasingly comfortable that the novel coronavirus epidemic is under control, but disinfectant, disposable cups and masks have become part of the experience.

People wearing face masks at a nightclub in Shanghai. PHOTO: REUTERS



44KW, a club for electronic music lovers in the financial hub of Shanghai, checks the temperature of every customer and gets them to register their details.

Staff, including bouncers, bartenders and waiters wear masks and gloves all the time. Customers don't have to wear masks but many do.

Some glasses have been replaced with plastic cups and the club has installed hand sanitiser dispensers throughout.

Door handles and toilets are disinfected every hour, while the entire club is disinfected every day before and after opening.

– REUTERS

Using data science to weed out errant firms

SINGAPORE – Data science techniques have been in use by the Ministry of Manpower (MOM) to boost enforcement efforts and weed out errant employers.

More than 90 per cent of about 600 construction firms identified through data analytics last year as being at higher risk of breaching the Employment Act were found with offences ranging from not paying salaries or overtime pay, to not providing staff with key employment terms.

Statistical models are used to process millions of information points in company and worker data and flag unusual clusters called archetypes when trends are just emerging. These could be companies with many workers with large salary fluctuations compared with peers in the sector, for example, or foreign workers without relevant qualifications, experience or skills but who earn high salaries.

More improvements are in the pipeline, including using machine learning and artificial intelligence to scrutinise work pass applications in the ministry's online system.

– THE STRAITS TIMES

The MOM uses data analytics to, among other things, identify and target companies at higher risk of Employment Act offences and those likely to have more severe workplace safety and health breaches. PHOTO: LIANHE ZAOBAO





Dungeon Master Shane Yeow running the adventure, Assault On Myth Nantar, at Game Start 2019 held at Suntec City Convention Centre in October. More than 600 Singaporeans have been getting their board-gaming fix by playing online during the Covid-19 circuit breaker.
PHOTO: NEO TOKYO PROJECT

Lifestyle

Board gaming goes online

Tabletop game enthusiasts are tapping board-gaming portals, coupled with voice and video chat resources, to continue their hobby during the circuit breaker

A PALE YOUNG MAN LOOKS SKYWARDS AND trembles in fear as a red dragon descends before him, letting out a mighty roar. But he is not alone: Making a final stand with him is a powerful sorcerer, staff in hand, ready to fight.

These are not scenes from a movie. They are moments from online Dungeons And Dragons games played by a community of more than 600 Singaporeans, who have become creative in getting their board gaming fix during the Covid-19 circuit breaker.

They and other tabletop game enthusiasts have taken these games – traditionally played in person and with items such as miniatures, dice and decks of cards – to the online realm, using board-gaming portals such as Roll20 and Tabletop Simulator, coupled with voice and video chat resources such as Discord and Zoom.

Like how Google Drive works as a server that hosts documents, the gaming portals let players create their own maps to play any game, so each game is basically built on custom content.

Student Bernice Lim Yi Mei, 20, is among those who started playing online due to the circuit breaker. She is an avid Magic: The Gathering (MTG) player.

In this long-running, popular board game which debuted in 1993, players take on the roles of wizards duelling one another for supremacy through the cosmos. Their cards represent spells and resources.

Playing online, Ms Lim would place cards representing champions and creatures onto an online battlefield on her turn. Her opponent may react to her moves and make plays.

The online game portal she plays in is called MTG Arena.

“The online platform hosts less time-consuming games than those I’ve played face to face, but it misses out on the interaction I would usually have through playing the game in person,” she says.

But MTG Arena has made the game much more accessible to players who would otherwise not have tried the game for reasons such as the cost of purchasing physical decks of cards (which can cost hundreds of dollars) or not having friends to play with, she says.

Mr Jason Koh, account director at pop-culture events firm Neo Tokyo Project and founder of the Dungeons and Dragons Adventurers League (DDAL) Singapore community, says: “As a community, we’re leveraging these platforms to continue doing the things we love while keeping a safe distance.”

Dungeons And Dragons is a fantasy tabletop role-playing game franchise that dates back to the 1970s. DDAL is an official, organised gameplay

CHERYL TEH

Journalist



✉ tienli@sph.com.sg

of the franchise, in which players can play their characters at games around the world, as opposed to self-contained playgroups.

In DDAL, players can assume roles from a roguish thief to a sneering noble. They confront scenarios placed by game masters – known as dungeon masters – and hunt for treasures, make daring rescues and navigate political intrigue.

DDAL and MTG are believed to be among the board games in Singapore with the largest following. There are hundreds of MTG players in Singapore – in 2018, close to 700 people signed up for the MTG Grand Prix Singapore tournament – and the number of MTG Arena players online might far exceed that number.

Echoing Ms Lim, Mr Koh says the circuit breaker has created a steady influx of curious adults who have never had the time or opportunity to try DDAL asking about how they can get a taste of the game.

“Being able to play in the comfort of one’s own home is a plus and flexing those creative muscles can definitely help those who are getting a little stir-crazy stave off boredom in a wholesome manner,” he says.

Mr Koh and the other founders of DDAL’s Singapore community estimate that since the circuit breaker started, the number of games being played online by community members has increased fivefold, from one or two games being held a week to around nine to 10 games now.

Prior to the circuit breaker, the DDAL Singapore community worked with local game stores to host games at their venues and held large-scale gaming events at local conventions Doujin Market and Game Start.

Now, the games organised by the community are hosted online.

As part of the RPG Day Singapore event that was held on the weekend of May 9 and 10, 16 virtual tables of DDAL comprising more than 100 players vanquished beasts and explored unknown lands together online.

Those interested in events, such as the DDALSG Digital Open House, can go to warhorn.net/events/ddalsg to sign up.

Ms Charlotte Lee, a community leader at DDAL Singapore and founder of Geekified, a local tabletop accessories start-up, says: “With easy access to the rules and a plethora of content to delve into, it has never been a better time to play DDAL online.”

She adds that Wizards of the Coast, publisher of Dungeons And Dragons, has released the basic rules for free online to encourage people to start playing the game at home.

The trend in Singapore mirrors that in other places, such as Seoul in South Korea, where more than 550 players interact with one another on an online DDAL gaming portal site – a large number for this gaming community in the city.

Role-playing board games such as DDAL have become very popular in recent years. In 2017, more than 7,500 broadcasters worldwide streamed live DDAL games.

For online gameplay, one can play DDAL for free on sites such as Roll20. For MTG players, portals



such as MTG Arena, Cockatrice, Xmage and untap.in are similar options to play the game online for free.

DO MORE BY PLAYING ONLINE

Mr Koh encourages members of the DDAL community to not only play the game, but also write adventures of their own.

He is an author of original creative content in the DDAL community, having written and published a series of adventures titled The Neverdusk Trilogy, which is available on the DMsGuild download portal.

With DDAL and other tabletop board games going online, players also get a chance to interact with players from other countries.

Ms Lyndon Ang, 24, who is unemployed, is one such person. She took on the role of dungeon master two weekends ago at the international Maydays Tenday Online Charity Convention, which was held from May 8 and supports causes such as at-risk youth, food banks and mental health.

“This was the first time I was controlling characters in an online setting with overseas players I’d never met before. And while I initially fumbled with the Roll20 portal controls, it was fun,” she says.

There are, however, some fundamental differences between playing the game online and in real life.

Ms Lee says: “For instance, playing online, you lose out on the tactile elements of the game, like props and sets.

“There’s a difference between looking at a picture of a castle on-screen and moving your miniature through an elaborate castle set that includes portcullises, battlements and other moving parts.”

Ms Lim says: “If I had to choose between online and offline MTG, I would choose to play in person with friends, as I get to play with the decks I spent time building.”

An online DDAL game being run on a virtual platform. Some are run on platforms like Roll20, with tokens representing player characters and NPCs, placed on virtual representations of a tabletop map.

PHOTO: NEO TOKYO PROJECT

Being able to play in the comfort of one’s own home is a plus and flexing those creative muscles can definitely help those who are getting a little stir-crazy stave off boredom in a wholesome manner.



MR JASON KOH, founder of the Dungeons and Dragons Adventurers League Singapore community, which has taken the gaming online during the coronavirus circuit breaker

Players say they lose out on the tactile elements of the game, like props and sets, when they game online.

PHOTO: NEO TOKYO PROJECT





PHOTO: EPA-EFE

Big Picture

Reaching new heights

AUSTRALIAN CLIMBER ANGIE SCARTH-JOHNSON has set her sights on the Tokyo Olympics, which has been postponed to next year, owing to the coronavirus outbreak.

The 15-year-old has made a name for herself climbing outdoors, at age nine becoming the youngest person to complete a complex “Grade 31” climb.

Angie is vying with fellow teenager Oceana Mackenzie, also a top-ranked female Australian climber, to compete in Tokyo.

Sport climbing will be one of six new sports making its Olympic debut in next year’s Games and will feature three disciplines: Speed, Bouldering and Lead, according to the Tokyo 2020 website. Speed climbing pits two climbers against each other, both climbing a route on a 15m wall. In Bouldering, athletes scale a number of fixed routes on a 4.5m

wall in a specified time. In Lead, athletes attempt to climb as high as possible on a wall measuring over 15m in height within a specified time.

In March, the International Olympic Committee (IOC) and Japanese government made the decision to delay the Games, which had been scheduled to start in July, for a year.

More than two months after the Games was pushed back, Tokyo organisers have yet to reveal plans for next year.

Although the Olympics have never been cancelled outside of the world wars, Japanese officials have been clear that they have no intention of postponing the Games again beyond next year.

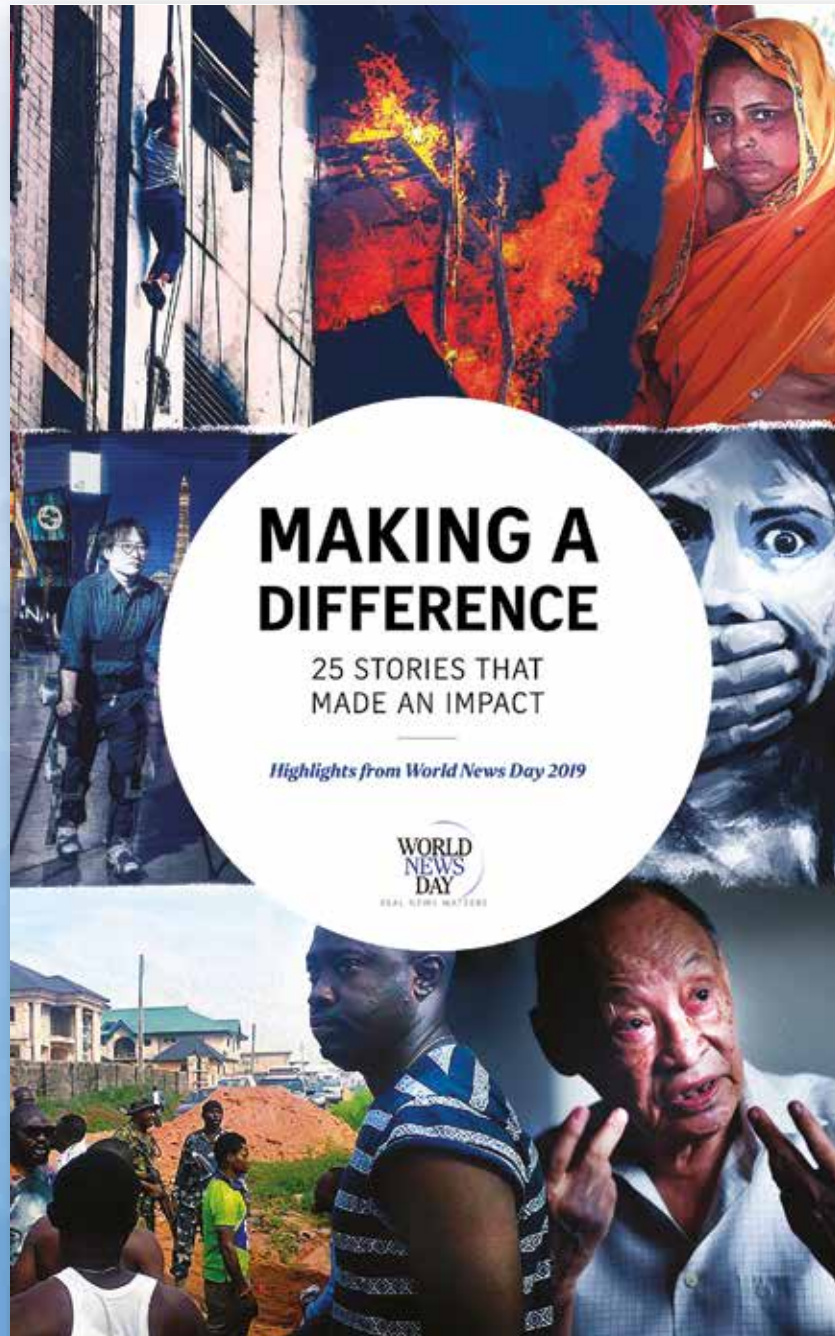
Angie is taking this delay in her stride, however, and told the Australian Associated Press that it has allowed her more time to train and get experience. [ST](#)

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