

MNI POLITICAL RISK ANALYSIS – Week Ahead

September 14-20

by Tom Lake

All timings subject to change.

Monday 14 September:

- **Japan:** Governing Liberal Democratic Party holds its leadership election to decide who succeeds the retiring Shinzo Abe as party president, and therefore Japanese prime minister. To speed up the contest only LDP Diet members and the heads of the local LDP association in each of Japan's 47 prefectures will be allowed to vote. Chief Cabinet Secretary and close ally of PM Abe, Yoshihide Suga, remains the favourite to win. He faces former defence minister Shigeru Ishiba and former foreign minister Fumio Kishida in the contest.
- **United Kingdom:** Second reading of the controversial UK Internal Market Bill in the House of Commons. The Bill contains provisions that would allow UK ministers to override sections of the Northern Ireland protocol contained within the Brexit Withdrawal Agreement, which the UK government acknowledges would be in breach of international law. The publication of the Bill has caused a major deterioration in relations with the EU, threatening to derail ongoing FTA talks between the two sides. On September 14, 15 and 16 the Bill will be debated in the Commons.
- **European Union-China:** President of the European Council Charles Michel, President of the Commission Ursula von der Leyen, and chair of the Council presidency German Chancellor Angela Merkel to hold a virtual meeting with Chinese President Xi Jinping. The videoconference acts as a follow-up to the 22nd EU-China summit that occurred virtually on June 22. Stated topics of discussion include COVID-19, EU-China trade, and climate change. Press conference from EU side around 1600CET (1500BST, 1000ET).
- **European Union:** European Parliament holds its first plenary session since mid-July. The session will be held in Brussels rather than Strasbourg due to the COVID-19 pandemic. The decision has led to a backlash from French politicians saying that the Parliament is reneging on its obligations in not decamping to Strasbourg for the week's plenary session.
- **United States:** Early voting begins in Pennsylvania for those who have requested absentee ballots, marking the first state in the US to begin its voting period for the November 3 presidential election.

Tuesday 15 September:

- **Europe:** European Council President Charles Michel travels to the Greek capital Athens on a working visit. The heightened tensions between Greece, Cyprus, and Turkey in the Eastern Mediterranean will be the primary topic of conversation. Michel has sought to reiterate the EU's solidarity with Greece and Cyprus in the dispute but has called for de-escalation. The Turkish government has called for the EU to be

'impartial' in the row, but given Greece and Cyprus are EU member states and Turkey is not this seems unlikely.

Wednesday 16 September:

- **European Union:** European Commission President Ursula von der Leyen to deliver her annual State of the EU speech. The speech is intended to set out the key issues and priorities for the Commission over the coming 12 months. Focus on whether the speech focuses on immediate issues such as the COVID-19 pandemic and the negotiations over the multiannual financial framework, or longer term issues. The speech will be followed by a debate with members of the European Parliament.
- **Japan:** Following the election of a new LDP leader on Monday, the Japanese Diet will hold a vote to install a new prime minister, formally bringing an end to the tenure of outgoing PM Shinzo Abe.
- **United Kingdom:** Prime Minister Boris Johnson due to appear in front of the powerful Liaison Select Committee (a committee formed by the chairs of the other select committees). Johnson likely to face questions on the government's response to COVID-19, the economy, and negotiations with the EU. Starts at 1530BST (1630CET, 1030ET).

Thursday 17 September:

- **G20:** Videoconference of G20 finance and health ministers to discuss progress and issues with national and international responses to the COVID-19 pandemic.

Friday 18 September:

- **United States:** Minnesota and South Dakota both begin their early voting periods. Democratic presidential candidate Joe Biden will travel to Minnesota on this day for a campaign event.

Saturday 19 September:

- **United States:** More states begin their early voting periods. From Saturday, voters in Michigan, Vermont, and Wyoming will be able to cast their early or absentee ballots.
- **New Zealand:** Original date for the country's general election. Due to the COVID-19 pandemic the election has been delayed to October 17.

Rolling Risks

- **Global:** The spread of the 2019-nCoV, commonly known as 'Coronavirus' or COVID-19 is the main story gaining political attention around the world at present. Starting in the Chinese city of Wuhan, the disease has reached 213 countries or territories, with 28,219,714 confirmed cases causing 910,460 fatalities according to the Center for Systems Science and Engineering at John Hopkins University as of September 11. Travel bans and movement lockdowns have been in place in most countries, with some unwinding these measures as the peak of the virus passes while other reimpose restrictions. The pace of the unwinding of these measures differs significantly country-to-country depending on how effective each has been in suppressing the spread of the virus, with some notable centres of outbreak such as

the US, India, and Brazil.

- **Global Protest/Political Violence:** Widespread civil unrest broke out in the United States in the first week of June following the death of African-American George Floyd in police custody in Minneapolis, MN in late May. More than 75 cities saw protests against police brutality, with curfews brought in in 40 cities after widespread rioting and looting. Protest movements spread to a number of other Western nations, including the UK and France. The protests and civil unrest have widened into a more general movement seeking to change what protesters say is a racist and unequal society in many Western states. This has spurred a reassessment of monuments in many Western cities, with opponents saying they glorify racist individuals, while defenders argue a nation's history should not be erased due to an individual's views or actions at another point in time. In Hong Kong, there is an increased risk of mass protests and an escalation in street violence in the wake of Beijing's imposition of a new national security law, which opponents say violates the 'one country, two systems' political environment enshrined in the Sino-British Joint Declaration.
- **India-China:** Tensions between the world's two most populous nations reached their highest level in decades on June 15 when a skirmish in the disputed Galwan Valley, a remote Himalayan area along the Line of Actual Control (LAC), left 20 Indian and an unconfirmed number of Chinese troops dead. No guns are permitted by either side along the LAC, meaning the skirmish involved brutal hand-to-hand combat. Both sides have blamed the other for the escalation, the first deaths along the border in over 40 years. The LAC between the two sides is not officially demarcated, making the establishment of control difficult. Both sides have sought to de-escalate the situation in recent weeks, but there remains the prospect of more frequent skirmishes in the region with neither side willing to back down. The two sides agreed to disengage troops at the border following talks between the countries' foreign ministers on September 10.
- **Trade War:** The spread of COVID-19 has seen a number of governments around the world issue strong criticism of the Chinese government for its perceived inaction in effectively containing the initial outbreak of the virus. This in turn could see trade relations worsen substantially if any tariffs or sanctions are imposed on China as a punishment. The state of relations between China and many western economies has deteriorated further following Beijing's decision to implement a new national security law on Hong Kong. Critics have argued the new law threatens Hong Kong's 'one country, two systems' political environment.
- **Brexit:** The UK and EU remain in the process of attempting to reach a deal on a free trade agreement that will come into force at the end of 2020 to avoid the UK leaving the 'transition period', in which it is part of the EU's single market and customs union, without a deal. UK Prime Minister Boris Johnson announced on September 7 that a deal would have to be reached by the European Council summit on October 15, and if there was not a deal on the table then both sides should halt talks in order to prepare for moving to WTO terms. The talks are at risk of breaking down entirely

following the publication of the UK Internal Market Bill, which the UK government acknowledges could result in the UK breaching international law.