



**Drexel GPS: Geopolitical Update:**  
**More High-altitude objects shot down by U.S. Fighters**  
**02/13/23**

Coming on the heels of last Saturday's shoot-down of a Chinese surveillance balloon, three additional unidentified objects were shot down by U.S. planes over the weekend. The incidents appear to be a signal of the Biden Administration's intent to convey a much more robust stance towards aerial incursions over U.S. territory. It has not yet been confirmed what the objects were or if they were of Chinese origin, but this information will likely be confirmed in short order.

If they are determined to be of Chinese origin, it would represent a very bold move on the part of the Chinese Government. Aggressive overflights and probing of Taiwanese airspace are routinely conducted by the Chinese military via manned aerial platforms. Such incursions are done to express displeasure with things China deems political slights (such as Nancy Pelosi's visit to Taiwan). President Xi may be attempting to convey similar saber-rattling sentiment to protest last week's balloon shoot-down without raising the ante too high, which would happen if the Chinese used manned aircraft within the U.S. territorial area. This is a developing story. Here is what we know right now:

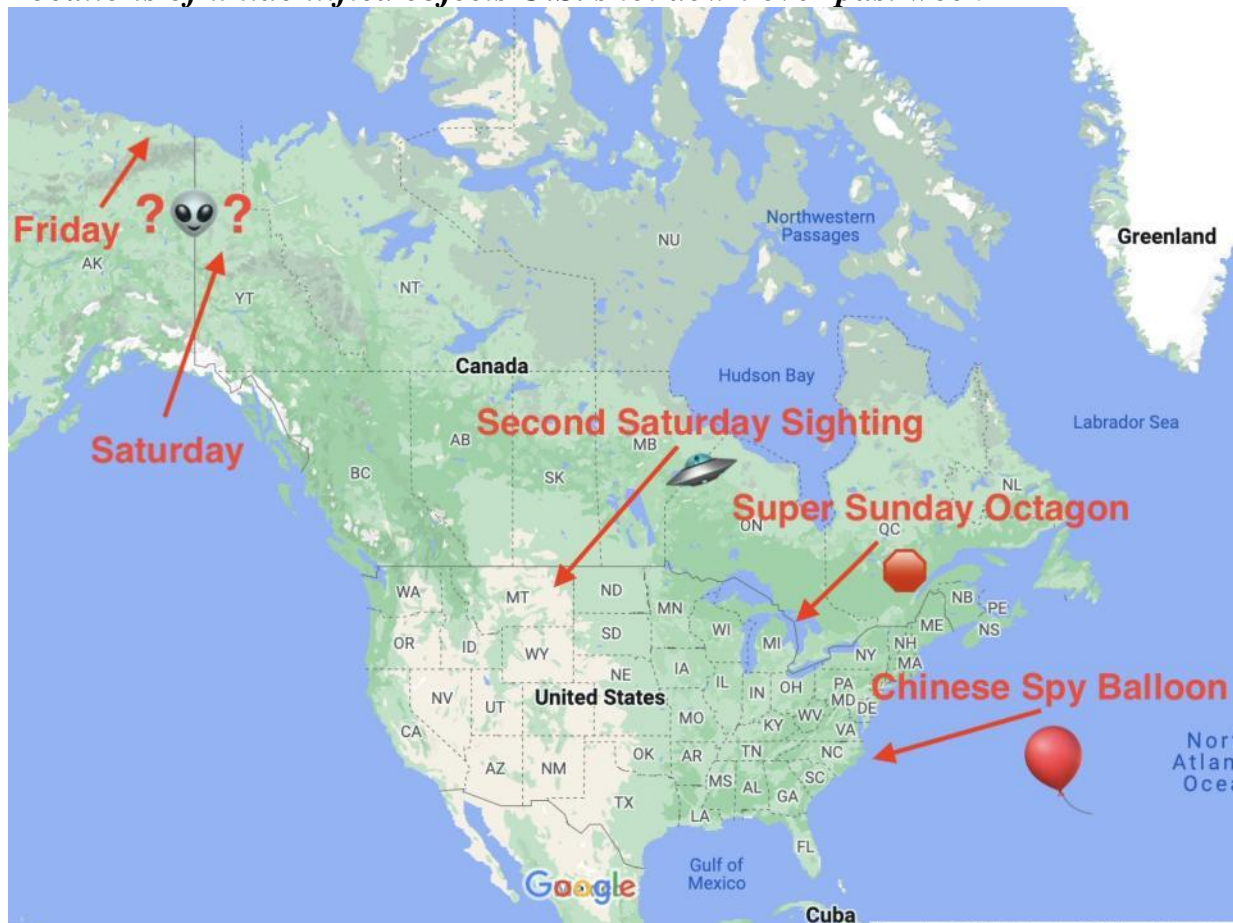
- One week ago, the U.S. military shot down a Chinese surveillance balloon over the coast of South Carolina. Another object was shot down on Friday by the U.S. military off the coast of Alaska within U.S. sovereign territory. Two additional objects were shot down over the weekend bringing the total to four in a week.
- The Pentagon has confirmed that the three most recent objects were much smaller than last week's balloon. Officials describing them as the size of a "small car" with a proportionately smaller debris field.
- This represents the first time that NORAD has actively tracked and shot down objects within the territorial airspace of the U.S. and Canada.
- All three of the additional objects shot down appear to have been at an altitude of 40,000 feet. Pentagon and Canadian officials say this could have potentially posed a threat to civilian aircraft, unlike last week's balloon which maintained an altitude of roughly 65,000 feet as it made its way over Montana to the East coast.

While recovery and examination of the objects is still ongoing, these incidents will likely play into the U.S. Congress' debt ceiling debate. Prior to these incidents, the defense budget was seen as a matter of debate. Now, a "no" vote for anything regarding defense spending could be perceived as potentially hampering the DoD's ability to counter Chinese military aggression and would not be a popular stance by any politician at this time.

This sentiment could also affect defense spending in Ukraine and in the Asian Pacific. The recently opened Marine Corps base in the Philippines is a sign of U.S. policy shifting to deter Chinese aggression in the region. Another possible U.S. response to these incidents is the fast-tracking of upgrades to Taiwanese F-16's.

Bolstering the sentiment for sustained/increased defense spending is the share price increase of the manufacturers of the F-22, F-16, and Sidewinder missiles used to shoot down these objects. Over the past week, Raytheon, Lockheed Martin, and Northrup Grumman have all been up over 3 percent.

### *Locations of unidentified objects U.S. shot down over past week*



## *U.S. Navy recovers debris from shot-down balloon*



Drexel Hamilton will continue to monitor these situations as they develop.

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