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CGS Centre for Governance Studies



September 24

Sri Lanka's New President Faces Economic Balancing Act Post-Election



Sri Lanka's newly elected president, Anura Kumara Dissanayake, has secured a decisive victory, but significant challenges lie ahead as he aims to reconcile promises to uplift the nation's impoverished population with the necessity of maintaining critical International Monetary Fund (IMF) cash flows.

A Bi-Weekly Roundup of Key Events

Dissanayake, a Marxist-leaning leader, is tasked with navigating the aftermath of the country's most severe economic crisis in seven decades. His proposals to expand welfare and revise the \$2.9 billion IMF bailout complicate efforts to stimulate the economy. Appointing a new prime minister adds further pressure, as the nation grapples with uncertainty surrounding potential renegotiations with creditors.

September 25

China Conducts Rare ICBM Test Raising Concerns Over Nuclear Build-Up

China announced a successful launch of an intercontinental ballistic missile (ICBM) into the Pacific Ocean, a move that may heighten international concerns regarding its nuclear capabilities. The People's Liberation Army Rocket Force launched the missile at 8:44 a.m. Beijing time, stating it was part of a routine annual training plan and not aimed at any specific country. The U.S. was informed beforehand, with a Pentagon spokesperson calling it a positive step to mitigate misperceptions. Analysts noted the unusual nature of the launch, typically conducted in isolated regions, and emphasized the need for military diplomacy amid escalating tensions.

September 26

Myanmar Military Urges Armed Opponents to Join Political Process Ahead of Elections

Myanmar's military government called on armed opposition groups to abandon "terrorism" and participate in upcoming general elections, a plea swiftly rejected by the resistance. Amidst ongoing civil conflict, the junta's statement marked its first outreach since the 2021 coup, urging ethnic armed groups and the People's Defence Forces to pursue political avenues instead of armed struggle. However, the shadow National Unity Government dismissed the offer as illegitimate, asserting the junta lacks the authority to hold elections. The proposed elections have been widely criticized as a sham, with many parties disbanded, including the National League for Democracy led by Aung San Suu Kyi, currently imprisoned. Analysts suggest the military's overture is a ploy to portray a commitment to peace while solidifying its election plans.

September 27

Australia and Britain to Forge Treaty for New Nuclear Submarine Class Under AUKUS

Australia and Britain announced plans to establish a bilateral treaty for the production of a new class of nuclear-powered submarines as part of the AUKUS partnership, which also includes the United States. Australia will acquire U.S. Virginia-class submarines over the next decade, while Britain and Australia will jointly develop the AUKUS submarines at Barrow-in-Furness and in South Australia. Australian Defence Minister Richard Marles stated that negotiations for the treaty would focus on industrial cooperation and technology transfer. The AUKUS defence ministers also agreed to integrate British-made Stingray torpedoes into P-8A Maritime Patrol Aircraft for enhanced submarine-hunting capabilities in the Indo-Pacific.

September 28

China Conducts Drills in South China Sea Amid Regional Tensions

China's air and naval forces are conducting manoeuvres in the disputed South China Sea, just hours after top Chinese diplomat Wang Yi met U.S. Secretary of State Antony Blinken to discuss reducing regional tensions. The drills, announced by the People's Liberation Army's Southern Theatre Command, will involve reconnaissance and patrols around Scarborough Shoal, a contested area within the Philippines' exclusive economic zone. This follows news of upcoming joint maritime activities by Australia, the Philippines, Japan, New Zealand, and the U.S. in the region. Despite a 2016 ruling rejecting China's sweeping claims, Beijing continues to assert sovereignty over the area.

Five-Nation Maritime Drills in South China Sea Amid China's Military Exercises

The armed forces of the Philippines, United States, Australia, Japan, and New Zealand conducted joint maritime exercises on Saturday in the Philippines' exclusive economic zone, aiming to enhance military interoperability. The exercises involved warships from all five nations, including the U.S. USS Howard and Japan's JS Sazanami. Australia emphasized the drills as a commitment to regional peace in the Indo-Pacific. This comes as tensions escalate between the Philippines and China over disputed South China Sea territories, including the Scarborough Shoal. Meanwhile, China conducted its own military drills in the contested waters, maintaining its territorial claims.

September 29

China Condemns U.S. Missile Deployment in the Philippines Citing Regional Instability

Chinese Foreign Minister Wang Yi criticized the U.S. deployment of intermediate-range missiles in the Philippines, calling it a threat to regional peace and stability. Speaking with South Korean Foreign Minister Cho Tae-yul in New York, Wang urged avoiding war on the Korean Peninsula and condemned the deployment of the U.S. Typhon missile system, which can target Chinese positions. China, along with Russia, has demanded its removal, accusing the U.S. of sparking an arms race in the Indo-Pacific. The Philippines, a key U.S. ally and neighbour to Taiwan, plays a vital role in U.S. strategic military planning in Asia.

September 30

Biden Approves \$567 Million in Defense Support for Taiwan Amid Rising China Tensions

U.S. President Joe Biden has approved \$567 million in defense support for Taiwan, the White House announced as tensions with China continue to rise. The United States, Taiwan's primary arms supplier despite a lack of formal diplomatic ties, has faced repeated demands from China to halt weapon sales to Taipei, which Beijing claims as its territory. The aid includes defense articles, services, and military training for Taiwan. This move follows Biden's earlier approval of military aid for Ukraine, Israel, and Taiwan, as Taipei continues to face delays in receiving key U.S. arms, including upgraded fighter jets.

October 1

Cambodia Invites U.S. Navy to Visit Ream Naval Base Amid China Concerns



Cambodia has extended an invitation to the U.S. Navy to visit its Ream Naval Base, a site of U.S. concern over potential Chinese military use. Deputy Prime Minister Sun Chanthol, speaking at a Washington think tank event, clarified that the base expansion, funded by China, is for Cambodia's national defence and not for exclusive Chinese use. He assured that any navy could visit for humanitarian, disaster recovery, or joint exercises. While U.S.-Cambodia ties have been strained, Cambodia's government has sought to dispel concerns about foreign control of Ream, urging the U.S. to visit with smaller ships due to shallow waters.

October 2

Thailand Sees Surge in Drug Trafficking Amid Myanmar's Civil War

Thailand is witnessing a sharp rise in illegal drug trafficking from Myanmar, with methamphetamine and heroin seizures surging, driven by Myanmar's ongoing civil war. Apikit Ch. Rojprasert, deputy secretary-general of Thailand's Narcotics Control Board, stated that the northern region remains the main trafficking route, with organised crime networks collaborating with militias in Myanmar's Shan and Kachin States to produce drugs in "super labs." Meth tablet seizures in Thailand's northern provinces have increased by 172% this year, alongside a resurgence in heroin. The drug trade, funding armed conflicts, has intensified due to Myanmar's political instability since the 2021 military coup.

October 3

Sri Lanka to Proceed with Third IMF Programme Review Amid Tax Reforms

Sri Lanka's new government announced plans to move forward with the third review of its \$3 billion IMF support programme, as the country strives to recover from its worst financial crisis in decades.

Newly elected President Anura Kumara Dissanayake has pledged to reduce taxes under the programme. While agreeing with the IMF's overall framework, Dissanayake aims to reassess value-added and direct income taxes to ease the public burden. Completion of the review is critical for Sri Lanka to secure \$337 million in funds and finalise a \$12.5 billion debt restructuring deal with bondholders.

October 4

AUKUS Navies Demonstrate Remote Control of Uncrewed Ships in Military Experiments



The navies of Britain, Australia, and the U.S. successfully controlled uncrewed ships in Australia from over 10,000 miles away in Portugal. The experiment, part of the AUKUS security pact, aims to counter China's influence in the Indo-Pacific through cutting-edge military technology. The Royal Navy highlighted this achievement as a significant step towards a future of integrated crewed and uncrewed systems operating globally. Dubbed "Maritime Big Play," the trials also tested other uncrewed equipment, with further large-scale experiments planned later this year in the Indo-Pacific.

October 5

India's Foreign Minister to Visit Pakistan for SCO Summit, No Bilateral Talks Expected

India's Foreign Minister Subrahmanyam Jaishankar will visit Pakistan this month for the Shanghai Cooperation Organisation (SCO) summit, marking the first visit of its kind in nearly a decade. However, Jaishankar emphasized that the trip is solely for the multilateral event, stating, "I am not going there to discuss India-Pakistan relations." While the visit on October 15-16 has drawn media attention, no meetings with Pakistani leaders have been confirmed. Diplomatic ties between the two nations have remained largely frozen since 2019, despite periodic calls to address issues like cross-border terrorism.

October 6

China and North Korea Commit to Strengthened Cooperation Amid Regional Tensions

On the 75th anniversary of diplomatic relations between China and North Korea, both nations vowed to enhance bilateral cooperation, according to North Korea's KCNA. President Xi Jinping emphasized the importance of China-DPRK relations, expressing readiness to "write a new chapter" through strengthened communication. Kim Jong Un echoed these sentiments, pledging to further develop ties. However, concerns remain as North Korea deepens relations with Russia and considers a constitutional amendment that could redefine inter-Korean relations. Experts warn that the revised constitution may escalate tensions, with potential implications for peace on the Korean Peninsula.

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