CENTRO STUDI PER I POPOLI EXTRA-EUROPEI "CESARE BONACOSSA" - UNIVERSITÀ DI PAVIA

ASIA MAIOR

Vol. XXXVI / 2025

Asia in 2025: Great power rivalry, contested polities, and global disorder

viella

CENTRO STUDI PER I POPOLI EXTRA-EUROPEI "CESARE BONACOSSA" - UNIVERSITÀ DI PAVIA

ASIA MAIOR

The Journal of the Italian think tank on Asia founded by Giorgio Borsa in 1989
Vol. XXXVI / 2025

Asia in 2025: Great power rivalry, contested polities, and global disorder

viella

Asia Maior. The Journal of the Italian Think Tank on Asia founded by Giorgio Borsa in 1989.
Copyright © 2026 - Viella s.r.l. & Associazione Asia Maior

ISBN 979-12-5701-257-1 (Paper) 979-12-5701-258-8 (Online)
ISSN 2385-2526 (Paper) ISSN 2612-6680 (Online)
Annual journal - Vol. XXXVI, 2025

This journal is published jointly by the think tank Asia Maior (Associazione Asia Maior) & the CSPE - Centro Studi per i Popoli Extra-europei "Cesare Bonacossa", University of Pavia

Asia Maior. The Journal of the Italian Think Tank on Asia founded by Giorgio Borsa in 1989 is an open-access journal, whose issues and single articles can be freely downloaded from the think tank webpage: www.asiamaior.org.
The reference year is the one on which the analyses of the volume are focused. Each *Asia Maior* volume is always published in the year following the one indicated on the cover.

Paper version	Italy	€ 50.00	Abroad	€ 65.00
Subscription	abbonamenti@viella.it		www.viella.it	

EDITORIAL BOARD

Editor-in-chief (direttore responsabile)**:**
Michelguglielmo Torri, University of Turin.

Co-editors:
Axel Berkofsky, University of Pavia;
Filippo Boni, The Open University;
Diego Maiorano, The University of Naples «L'Orientale»;
Marco Pinfari, University of Pavia;
Elena Valdameri, ETH Zürich;

Consulting editors:
Elisabetta Basile, University of Rome «Sapienza»; Kerry Brown, King's College London;
Peter Brian Ramsay Carey, Oxford University;
Rosa Caroli, University of Venice;
Jaewoo Choo, Kyung Hee University (Seoul, South Korea);
Jamie Seth Davidson, National University of Singapore;
Ritu Dewan, Indian Association for Women Studies;
Laura De Giorgi, University of Venice;
Hewison, University of North Carolina at Chapel Hill;
Lucia Husenicova, University Matej Bel (Banská Bystrica, Slovakia);

David C. Kang, Maria Crutcher Professor of International Relations, University of Southern California;
Rohit Karki, Kathmandu School of Law;
Jeff Kingston, Temple University – Japan Campus;
Mirjam Künkler, Swedish Collegium for Advanced Study – Uppsala;
Noemi Lanna, University of Naples «L'Orientale»;
James Manor, School of Advanced Studies – University of London;
Aditya Mukherjee, Jawaharlal Nehru University;
Mridula Mukherjee, Jawaharlal Nehru University;
Giulio Pugliese, European University Institute, Fiesole;
Parimala Rao, University of Delhi;
Guido Samarani, University of Venice;
Marisa Siddivò, University of Naples «L'Orientale»;
Eswaran Sridharan, Institute for the Advanced Study of India, University of Pennsylvania;
Arun Swamy, University of Guam;
Akio Takahara, University of Tokyo;
Edsel Tupaz, Harvard University alumnus, Ateneo de Manila University and Far Eastern University;
Pierluigi Valsecchi, University of Pavia;
Sten Widmalm, Uppsala University;
Ather Zia, University of Northern Colorado.

Book reviews editors:
Elena Valdameri, ETH Zurich (Review-editor- in-chief);
Teuku Reza Fadeli, Universitas Indonesia (UI), Jakarta.

Graphic project:
Nicola Mocci, University of Florence.

Before being published in Asia Maior, all articles, whether commissioned or unsolicited, after being first evaluated by the Journal's editors, are then submitted to a double-blind peer review involving up to three anonymous referees. Coherently with the spirit of the double-blind peer review process, Asia Maior does not make public the name of the reviewers. However, the reviewers' names – and, if need be, the whole correspondence between the Journal's editors and the reviewer/s – can be disclosed to interested institutions, upon a formal request made directly to the Editor in Chief of the journal.

Articles meant for publication should be sent to Michelguglielmo Torri (mg.torri@gmail.com), Filippo Boni (filippo.boni@open.ac.uk), Diego Maiorano (dmaiorano@unior.it); book reviews should be sent to Elena Valdameri (elena.valdameri@gess.ethz.ch).

Associazione Asia Maior

Steering Committe: Filippo Boni, Marzia Casolari, Matteo Fumagalli, Michelguglielmo Torri (President).

Scientific Board: Guido Abbattista (Università di Trieste), Domenico Amirante (Università «Federico II», Napoli), Elisabetta Basile (Università «La Sapienza», Roma), Luigi Bonanate (Università di Torino), Claudio Cecchi (Università «La Sapienza», Roma), Alessandro Colombo (Università di Milano), Anton Giulio Maria de Robertis (Università di Bari), Thierry Di Costanzo (Université de Strasbourg), Max Guderzo (Università di Siena), Giorgio Milanetti (Università «La Sapienza», Roma), Paolo Puddinu (Università di Sassari), Adriano Rossi (Università «L'Orientale», Napoli), Giuseppe Sacco (Università «Roma Tre», Roma), Guido Samarani (Università «Ca' Foscari», Venezia), Filippo Sabetti (McGill University, Montréal), Gianni Vaggi (Università di Pavia).

CSPE - Centro Studi per i Popoli extra-europei "Cesare Bonacossa" - Università di Pavia

Steering Committee: Axel Berkofsky, Alfredo Ferrante, Marco Gardini, Marco Pinfari, Maria Sassi, Pierluigi Valsecchi, Massimo Zaccaria (President)

viella
libreria editrice
via delle Alpi, 32
I-00198 ROMA
tel. 06 84 17 758
fax 06 85 35 39 60
www.viella.it

Contents

IX *Foreword*
Michelguglielmo Torri, *Asia in 2025: The unravelling of the Asian order in the pincer of great power pressure and domestic strain*

Articles

1 Flora Sapio, *China 2025: «Focus our energies on doing our own things well»*
25 Veronica Strina, *China's 2025: Forging a new global role*
53 Marco Milani & Antonio Fiori, *Korean peninsula 2025: Political transition and strategic consolidation*
87 Raymond Yamamoto & Marco Zappa, *Japan 2025: External shocks, domestic turbulence and the rise of Takaichi Sanae*
131 Stefano Pelaggi, *Taiwan 2024-2025: Constraint, adaptation, and the cross-strait equilibrium*
155 Than Kiū, *Hong Kong 2025: Conditioned continuity under National Security*
173 Enrico Gloria, *The Philippines 2024-2025: Feuding families, weak institutions, and the limits of Philippine democracy*
193 Emanuela Mangiarotti & Nur Rafeeda Daut, *Malaysia 2025: ASEAN chairmanship under the Madani framework*
209 Teuku Reza Fadeli, *Indonesia 2025: The «Red-and-White» project and the consolidation of executive dominance*
267 Christine Cabasset, *Timor-Leste 2025: The 11th ASEAN member and new challenges*
285 Fabio Figiaconi, *Vietnam 2025: Tô Lâm's powerplay and the limits of bamboo diplomacy*
299 Caroline Bennett, *Cambodia 2025: Resilience in the face of economic and geopolitical insecurity*
319 Paul Chambers, *Thailand 2025: A year of insecurity and transition*
341 Matteo Fumagalli, *Myanmar 2025: The military eschews off-ramping and fights back, as the polycrisis carries on*
361 Amit Ranjan, *Bangladesh in 2025: Under the shadow of «Monsoon Revolution»*
389 Diego Maiorano & Raghaw Khattri, *India 2025: Economic paradoxes, political recovery, and the battle for electoral integrity*
411 Ian Hall, *India 2025: Turbulence and turmoil in foreign policy*
431 Puspa Sharma, *Nepal 2024-2025: Political upheaval, economic challenges and mixed foreign relations*
453 Gulbin Sultana, *Sri Lanka 2025: Maiden year of the NPP administration*

477 Marco Corsi, *Pakistan 2025: Internal governance challenges, security perils and foreign policy crosswinds*
499 Anahita Motazed Rad, *Iran 2024-2025: Strategic retrenchment amid regional setbacks and systemic pressures*
521 Carlo Frappi, *Azerbaijan 2025: Foreign policy behaviour in a fragmenting Eurasian order*

Special articles
543 David Scott, *Naval Hegemony and Deterrence: Aircraft carrier strategies and power projection in Asian waters*
559 Sara Berloto & Nicolò Fasola, *From Monopoly to Dual Patronage: The evolution of Russian and Chinese influence in Central Asia (1991-2025)*
585 Hamideh Saberi, *«We did not make a revolution to go backwards»: The Iranian women's uprising of march 1979 and its systematic erasure from historical memory*
601 Enrico Bartolomei, *«Colonialism of a Dual Nature»: Fayez A. Sayegh, the Palestine Research Center and a Palestinian genealogy of the settler colonial paradigm*

625 *Reviews*
653 *Appendix*

Foreword

Asia in 2025: The unravelling of the Asian order in the pincer of great power pressure and domestic strain*

For more than a decade, *Asia Maior* (the journal), through its analyses, has identified and described the intensifying rivalry between the United States and the People's Republic of China (PRC)[1] as the primary force shaping the political and economic destiny of the Asian continent. By 2025, this confrontation has escalated a notch on the scale of intensity; in fact, it has ceased to be a mere matter of trade disputes or diplomatic friction. It has hardened into a rigid, conflictual duopoly – a systemic overarching reality that constrains the choices and dictates the political boundaries of every nation in the region.

To understand the history of Asia Maior (the geopolitical area)[2] in 2025, one must look at the continent through the metaphor of a tightening pincer. Most Asian states today find themselves trapped within this grip. One arm of the pincer is forged by the relentless geopolitical confrontation between Washington and Beijing, an antagonism radically transformed and exacerbated by the return of Donald J. Trump to the White House. The other arm is formed by the acute, often violent domestic crises unfolding within the borders of most Asia countries.

Crucially, these two forces do not operate in isolation. The defining historical argument of the *Asia Maior* issue which we are presenting in this foreword is that the domestic turmoil plaguing so many Asian nations is not merely the product of local grievances. Rather, a substantial portion of these internal crises is the direct consequence of the profound uncertainty and economic dislocation caused by the Sino-American confrontation. The erratic transactionalism of US foreign policy under the second Trump administration, combined with Beijing's defensive consolidation, has fractured the global trading architecture and dismantled long-standing security guarantees. Exposed to sudden tariff wars, supply chain disruptions, and

* I would like to thank Filippo Boni for reading and commenting on the draft of this Foreword. His suggestions were instrumental in significantly enhancing the text. It goes without saying, of course, that any remaining shortcomings are entirely my own responsibility.

1. For the sake of brevity, in the remainder of this essay we generally use the term 'China' as a synonym for «People's Republic of China».

2. The Asia Maior think tank defines «Asia Maior», the geopolitical expression, as that part of Asia bounded to the west by Turkey and the Arab countries, to the north by the Caucasus Mountain range, the Caspian Sea and the border with Siberia, and to the east and south by the Pacific and Indian Oceans respectively.

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

market instabilities, the fragile domestic frameworks of many Asian states have simply reached a breaking point, rendering them increasingly unable to endure the pressure.

This analytical framework provides the essential key to interpreting the diverse events of 2025 across Asia Maior. In the remainder of this foreword, we shall examine – primarily on the basis of the essays included in this volume – how this dual pressure has played out on the ground, tracing the specific ways in which exogenous shockwaves have shattered domestic social contracts. At the same time, this *Asia Maior* issue also explores some notable exceptions where local dynamics or peculiar geostrategic advantages have allowed certain states to partially evade the pincer, examining the specific reasons behind their atypical trajectories.

Before dissecting these individual national histories, however, it is necessary to examine the first arm of the pincer: the conflictual US-China duopoly. Let us start from the US pole, which in 2025 was characterized by a profound shift in foreign policy, driven by the «Trump factor».

The «Trump Factor» in 2025 cannot be understood merely as a change in the occupancy of the White House; it represents a profound historical rupture. For decades, American foreign policy in Asia, though often flawed, operated within a predictable framework of long-term alliances, multilateral agreements, and explicit security guarantees. The second Trump administration has decisively dismantled this architecture, replacing it with an uncompromising approach that treats international diplomacy not as a structure for regional stability, but as a bazaar of short-term mercantile deals.

Under this ascendancy of raw transactionalism, historic geopolitical partnerships are stripped of any shared normative purpose. Instead, Washington assesses its relationships with Asian nations exclusively through the narrow lens of immediate economic or strategic reciprocity, where commitments are treated as conditional, contingent, and highly unpredictable.

This retreat from international responsibility has created a political vacuum and has fundamentally eroded the collective security guarantees upon which middle and small Asian powers had long depended for their survival. Yet, the historical novelty of 2025 lies in the fact that this erratic American posture has not spared even those major regional powers that had previously considered themselves indispensable partners to Washington – and had been considered as such by Washington.

The most striking and unexpected demonstration of this shift is found in the international trajectory of India. As Ian Hall convincingly argues in this volume, New Delhi entered 2025 with the firm expectation that the return of Donald J. Trump would automatically fortify the US-India strategic partnership, given the perceived personal rapport between the US Presi-

dent and Indian Prime Minister Narendra Modi.[3] This proved to be a severe historical miscalculation. Rather than bolstering a precious strategic ally, Washington aggressively applied its transactional doctrine to New Delhi.

The consequences for New Delhi were immediate and damaging. Caught off guard by Washington's transactional approach, the government of Narendra Modi found itself strategically exposed in the spring of 2025. This vulnerability emerged during a sudden military crisis with Pakistan in Kashmir, triggered that April by a devastating terrorist attack against Indian security forces in Pahalgam. Instead of offering steadfast strategic backing to its most important partner in the Indian Ocean area, the second Trump administration acted with characteristic unilateralism, prioritizing the search for a swift diplomatic success - which, by the way, was achieved in name only – over India's vital regional security interests. As we shall examine in detail later in this foreword, this episode exposed the severe limits of New Delhi's coercive diplomacy. Also, it forced a sobering realization upon the Indian leadership: Washington's support could no longer be taken for granted, leaving India precariously isolated in the face of its two main adversaries, Pakistan and China

While the erratic transactionalism of Washington has disrupted traditional alignments, the second element making up the conflictual duopoly which forms the first jaw of the global pincer is the China pole, characterized by the purposeful long-term strategic vision that Beijing has mapped out for both its domestic and foreign policies. China's international posture in 2025 is not a mere defensive reaction to American pressure, but the evolution of a long-standing and highly efficient strategy of comprehensive power expansion. As documented extensively in past volumes of *Asia Maior*, Beijing has, for over a decade, systematically eschewed reckless military adventurism, preferring instead to project its influence through massive geo-economic instruments. The primary vehicle for this continental and maritime power projection remains the *Belt and Road Initiative* (BRI), which has allowed China to anchor a vast network of developing and middle-income states to its economic orbit, establishing Beijing as an indispensable infrastructure provider and financial anchor across Asia.

By 2025, this pre-existing strategy has been forced to undergo a significant readjustment in response to the aggressive shift in US foreign policy. The Chinese leadership has interpreted the return of Donald J. Trump to the White House not as a passing political anomaly, but as the permanent institutionalisation of an unpredictable and hostile US policy of containment. As the long-standing integration between the two economies is

3. Ian Hall, 'India 2025: Turbulence and turmoil in foreign policy', in this volume.

increasingly viewed as a liability rather than a deterrent, a full economic decoupling has become increasingly likely. As explored in the essays on China by Flora Sapio and Veronica Strina, Beijing has met this challenge by accelerating its strategy of «doing our own things well» (*gonggu zizhi*).[4]

This shift represents a deliberate, state-directed retreat into domestic technological and economic resilience. Rather than abandoning its global ambitions, Beijing has recognised that its external strength depends on fortifying its internal foundations against sudden foreign shocks. Consequently, the Chinese government has focused its energies on achieving absolute self-reliance in core areas, most notably through the expansion of advanced high-tech manufacturing, the domestic development of semiconductors, and the thorough restructuring of internal supply chains to insulate the country from Western sanctions and tariff barriers.

This drive for self-reliance is mirrored and structurally backed by a parallel acceleration in naval power projection. As David Scott documents in this volume, 2025 has witnessed a sharp escalation in carrier-led power projection across maritime Asia, as aircraft carriers have definitively emerged as the apex symbols of national prestige and military deterrence.[5] Beijing's deployment of the electromagnetic-catapult-equipped *Fujian* – complemented by the simultaneous blue-water operations of the *Liaoning* and *Shandong* past the island chains – has radically called into question the pre-existing regional balance. This Chinese naval surge has triggered immediate, competitive counter-balancing responses from powers like Japan, which rapidly advanced its F-35B carrier-conversion programmes, and India, which forward-deployed its indigenously built *INS Vikrant*[6] in defensive and deterrent postures. Furthermore, the US, the UK, and France have deployed their own Carrier Strike Groups, engaging in coordinated allied operations and joint naval manoeuvres aimed at challenging China's growing naval assertiveness.

China's focus on internal consolidation does not signal a retreat from the world stage; rather, it provides the secure domestic pad from which Beijing continues to deploy its sophisticated international role as a pragmatic alternative to Western hegemony. In an era where Washington's security guarantees have grown volatile and Western financial assistance remains tied to political conditionality, Beijing has increasingly positioned itself as a reliable, non-interfering guarantor of stability for regimes across the Asian

4. Flora Sapio, 'China in 2025: «Focus our energies on doing our own things well»'; and Veronica Strina, 'China's 2025: Forging a new global role', both in this volume.

5. David Scott, 'Naval hegemony and deterrence: Aircraft carrier strategies and power projection in Asian waters', in this volume.

6. The aircraft carrier *INS Vikrant*, the first to be completely built in India, entered service in 2022 and was hailed by Indian Prime Minister Narendra Modi as a symbol of India's technological self-reliance (*Aatmanirbhar Bharat*).

continent and beyond. This vision of a revised international order has been systematically articulated by China through a set of key global programmatic platforms: the Global Development (GDI), Security (GSI), Governance (GGI), and Civilization (GCI) Initiatives.[7] By continuing to offer trade, infrastructure, and security partnerships without normative preconditions, China has successfully adapted its pre-existing regional strategy to exploit the vacuum left by the contraction of US global influence.

This conflictual duopoly, however, is far from being a stable equilibrium; rather, it is defined by a deep and pervasive instability that carries a constant risk of catastrophic miscalculation. The perilous nature of this friction is most acutely visible in the case of Taiwan, which remains the most volatile flashpoint on the Asian arena. As Stefano Pelaggi demonstrates in this volume, the island during 2024-2025 became the theatre of a deeply precarious standoff.[8] On one side is a US administration whose approach is so explicitly and shamelessly transactional that it treats even its most sensitive strategic commitments as negotiable assets in a broader mercantile game. On the other side is a Chinese leadership that regards the reintegration of Taiwan into the national framework as a non-negotiable historical goal.

This volatile combination of American unpredictability and Chinese determination has created an environment where traditional deterrence has eroded. In the absence of structured multilateral diplomatic channels – which have been systematically weakened by Washington's disregard for global governance – there are fewer mechanisms to absorb a sudden shock. Consequently, the tension between the two superpowers is not a distant geopolitical backdrop; it is an active fault line whose tremors shake the entire continent. It is precisely because the global architecture offers no safety valves that the shockwaves generated by this superpower rivalry travel so rapidly and destructively downwards, penetrating the domestic fabric of individual Asian states and exacerbating their internal vulnerabilities.

7. Introduced sequentially by the PRC leadership, these four initiatives collectively define Beijing's framework for global governance. While structured around an appealing, win-win rhetoric of mutual benefit, they function primarily to realign the international architecture with Beijing's own strategic priorities and national interests. For a comprehensive analysis of the deployment and systemic impact of these initiatives, see Matteo Dian and Silvia Menegazzi, *China's Global Initiatives: GDI, GSI, GGI, GCI and the Future of International Order*, London: Palgrave Macmillan, 2025.

8. Stefano Pelaggi, 'Taiwan 2024-2025: Constraint, adaptation, and the cross-strait equilibrium', in this volume.

Having delineated the volatile international architecture driven by the US-China duopoly, we must now examine the second arm of the pincer: the profound domestic instability unfolding within the borders of individual Asian states. At first glance, the internal landscape of the continent in 2025 presents a bewildering array of crises, ranging from violent civil unrest and institutional paralysis to severe macroeconomic distress. However, to view these internal turmoil stories as isolated, purely domestic, phenomena would be erroneous. Conversely, it would be equally misleading to treat them as mere passive reflections of superpower rivalry.

The historical reality of 2025 lies in the complex, shifting relationship between endogenous vulnerabilities and exogenous shocks. While the domestic arm of the pincer is forged by long-standing internal fractures – such as ethnic tensions, fragile democratic institutions, or lopsided economic development – the external arm operates through the far-reaching shocks caused by the Sino-US confrontation. Although each of these two forces is already a factor of crisis, their convergence cannot but systematically push the affected regional states toward a breaking point

The extent to which these domestic tensions are determined by local factors or by the hardening of the conflictual US-China duopoly varies significantly across the continent, revealing a spectrum of different national trajectories. In many cases, local grievances and long-standing structural weaknesses constitute the primary factor of crisis; in others, the international environment acts as either the primary force which creates entirely new sources of internal instability or, at the very least, as a driving factor transforming domestic tension into open political crisis. In fact, the erosion of global trading rules under the weight of Washington's tariff policies and Beijing's strategy of assertive economic self-reliance has severely restricted the room for manoeuvre available to national governments. Fragile regimes – suddenly exposed to supply chain disruptions, rising energy costs, and currency instabilities – have found themselves increasingly unable to deliver on their domestic social contracts. In a desperate bid for geopolitical survival, many of these governments have responded by aggressively centralising authority, shutting down feedback loops[9], and alienating their own populations, thereby transforming an international economic pressure into an acute internal political crisis.

Understanding this second arm of the pincer therefore requires a careful, case-by-case analysis that weighs the specific balance between local dynamics and global pressures.

9. Social feedback loops – namely grassroots protests, independent investigative journalism, labour union grievances, and unmanipulated market signals – however unwelcome they may be to governments and difficult for them to manage, fulfil the crucial socio-political function of signalling the public's genuine expectations and grievances to those very executives.

To map this complex landscape, the national trajectories analyzed in this volume can be classified into three distinct categories, depending on how they experience the pressure of the pincer. The first category consists of states where international tensions act as the main cause of distress, overriding local political frameworks. A second category illustrates the opposite dynamic, where endogenous factors – long-standing structural decay and internal political friction – constitute the principal cause of crisis. In addition to these two, there is a third, more intricate category of mixed or hybrid cases, where global strategic rivalries and pre-existing institutional convulsions completely fuse together. This threefold taxonomy is further enriched by a set of exceptions: those landlocked Eurasian states that, blessed with unique geographic and material advantages, have managed to insulate themselves from the surrounding storm, at least for the time being.

Among the states, analyzed in this volume, where endogenous factors are the principal cause of crisis there are Pakistan, Sri Lanka and Bangladesh.

In his analysis of the Pakistan's trajectory throughout 2025, Marco Corsi demonstrates how Islamabad's persistent turmoil remains fundamentally driven by unresolved crises of institutional legitimacy and structural economic decay.[10] The fragile coalition government led by Shehbaz Sharif was brought to power through highly contested elections. Marked by the forced exclusion of the Pakistan Tehreek-e-Insaf (PTI) and the ongoing imprisonment of Imran Khan, this political exclusion has fuelled a deep socio-political polarization. The ensuing internal fracture culminated in 2025, when the opposition alliance Tehreek-e-Tahaffuz-e-Ayeen Pakistan (TTAP) spearheaded a fierce battle against the 26th Constitutional Amendment. This reform was condemned as an overt attempt by the civilian-military establishment to subordinate the judiciary and insulate the ruling coalition from legal challenges.

The resulting domestic paralysis directly interacts with a dysfunctional economic model. As Corsi shows, while short-term macroeconomic stabilization was artificially sustained in 2025 via emergency lending packages from the IMF and the World Bank, the national budget for the fiscal year 2025/2026 laid bare the state's structural impasse. Trapped under the weight of astronomical debt repayments and sluggish exports, Islamabad was forced to systematically reduce development spending while significantly expanding its defence outlays. This fiscal distortion was further exacerbated by a domestic security crisis, marked by an escalation of militancy from the Balochistan Liberation Army (BLA) and the *Tehreek-e-Taliban Pakistan* (TTP). External factors undoubtedly intervened in 2025, most notably through the fallout from the April Pahalgam terrorist attack and the ensuing Indian military retaliation. According to Corsi's analysis, however,

10. Marco Corsi, 'Pakistan 2025: Internal governance challenges, security perils and foreign policy crosswinds', in this volume.

Pakistan leveraged these international crises merely to reinforce its transactional alignments with Washington, Beijing, and Riyadh, while completely neglecting the structural rot within its own borders.

Another case of endogenous crisis is Sri Lanka. To fully comprehend the island's predicament in 2025, its contemporary situation must be contextualized within a broader chronological and political perspective, rooted in the legacy of the *Aragalaya* – the massive popular movement that erupted in 2022. The *Aragalaya* represented a historic, unexpected triumph for grassroots democracy in South Asia; it was a powerful, entirely domestic attempt to resolve a crushing economic and institutional crisis through endogenous forces. This wave of popular mobilization effectively shattered the entrenched political status quo, ultimately paving the way for the historic ascent to power of the *National People's Power* (NPP) alliance under Anura Kumara Dissanayake.[11]

Nonetheless, as the detailed evaluation of 2025 authored by Gulbin Sultana demonstrates,[12] this extraordinary democratic opening has – at least for the time being – faltered when confronted with the pragmatic demands of state management. The first year of the NPP administration exposed a stark and sobering gap between the *Aragalaya*'s aspirations for systemic change and the ruling elite's actual governance capabilities. Despite securing an absolute parliamentary majority against a highly fractured opposition, the new government's executive inexperience rapidly emerged as a primary source of weakness.

The structural limits of Sri Lanka's recovery remained tightly bounded by inherited debt frameworks and were further compounded by domestic environmental shocks, such as the severe fiscal strain caused by Cyclone Ditwah. While Colombo attempted to maintain a balanced, transactional foreign policy to mitigate regional geostrategic pressures, the fundamental crisis in 2025 remained internal. It was defined by a growing public impatience for tangible economic relief, illustrating how a triumphant domestic push for democratic renewal can become ensnared in the administrative and structural quagmires of the very state it sought to transform.

A separate, yet historically contiguous pattern of a devastating endogenous crisis – born from the ashes of a sudden political rupture – is provided by Bangladesh. As Amit Ranjan illustrates, in 2025 the country remained profoundly consumed by the complex and turbulent aftermath of the August 2024 «Monsoon Revolution», which had ended the authoritarian

11. Michelguglielmo Torri, 'Asia Maior in 2024: Under the sign of a declining democracy', «Asia Maior», Vol. XXXV/2024 (2025), pp. XXXIV-XXXVII.

12. Gulbin Sultana, 'Sri Lanka 2025: Maiden year of the NPP administration', in this volume.

rule of Sheikh Hasina.[13] Ranjan demonstrates that Bangladesh's instability in 2025 was organically generated by a dual internal vacuum: a chronic difficulty in restoring domestic law and order, and a deep structural disagreement among political actors regarding the state's future.

The interim government led by Chief Advisor Muhammad Yunus found itself trapped inside a net of in-depth and powerful domestic tensions. In this situation, the Yunus government attempted to pursue sweeping constitutional and institutional reforms with little success. Relentless pressure from traditional political parties, most notably the Bangladesh Nationalist Party (BNP), demanding immediate parliamentary elections, turned the government's efforts into a Sisyphean task doomed to failure.

Ranjan's analysis also uncovers a dangerous domestic mutation within the Bangladeshi political landscape: the rapid ideological and physical expansion of Islamist groups, such as *Jamaat-e-Islami* and *Hefazat-e-Islam*. Capitalising on the collapse and subsequent ban of Hasina's *Awami League*, these factions dramatically enhanced their societal activism, complicating the consolidation of a secular democratic framework, in particular by advocating public discrimination and unleashing violence against religious minorities. Furthermore, Ranjan shows that even the interim administration's significant foreign policy shifts were entirely subordinate to this domestic logic. Dhaka's strategic decisions to reset diplomatic ties with Pakistan and draw closer to Beijing were not rational responses to the deterioration of the international order, but rather internal manoeuvres designed to build a definitive counter-narrative to that propagated by the ousted regime. Of course, this was a domestic choice that inevitably widened the strategic rift with India. Bangladesh thus represents the ultimate paradigm of a country whose external alignments and pervasive vulnerability in 2025 were the direct, unmediated expression of an ongoing internal systemic convulsion.

A further and peculiar model of predominantly endogenous crisis – unfolding precisely as the country was achieving its long-awaited integration into the Southeast Asian regional architecture – is offered in 2025 by Timor-Leste. As detailed in Christine Cabasset's analysis,[14] 2025 was a year of extraordinary diplomatic and commemorative significance for the country, culminating on 26 October with its official accession as the eleventh member of ASEAN. This represented a historic victory for the veteran leadership of the anti-Indonesian resistance (1975-1999), embodied by Prime Minister Xanana Gusmão and President José Ramos-Horta.

This diplomatic milestone, alongside the rhetoric of the «blue economy» – a development model aimed at the sustainable exploitation of marine

13. Amit Ranjan, 'Bangladesh in 2025: Under the shadow of «Monsoon Revolution»', in this volume.

14. 'Timor-Leste 2025: The 11th ASEAN member and new challenges'. In this volume.

and maritime resources[15] – was promoted, not without good reason, as a crucially important strategic shift for economic diversification away from declining oil revenues. Nonetheless, such international achievements failed to stabilize Timor-Leste's internal arena, which remained characterized by deep-seated fault lines and vulnerabilities of an exquisitely domestic nature.

In mid-September, the capital, Dili, was shaken by unusual and widespread street protests led by students as well as youth facing unemployment or precarious work, against systemic inequalities. Sparked by the controversial purchase of luxury vehicles for members of Parliament, these demonstrations targeted the privileges of the political class, such as the system of life pensions. These mobilisations – strikingly analogous to the «Generation Z» movements that erupted during the same period in Indonesia, Sri Lanka, and Nepal – exposed the growing resentment of young people towards a government elite perceived as self-referential. This deep social divide was further compounded by the fact that the youth, who constitute over 60% of the population, must confront a stagnant job market heavily dominated by the informal economy.

Alongside demographic and social pressures, the endogenous fragility of Timor-Leste's unconsolidated institutions was dramatically highlighted by the alarm raised by Minister Agio Pereira regarding the risk of infiltration by transnational organised crime. Exploiting an economy largely reliant on cash and driven by an absolute need to attract foreign direct investment, Asian criminal syndicates aimed to establish protected enclaves for illegal gambling, online scams, and human trafficking. The government reacted swiftly by revoking licences for online gambling. Nevertheless, the entire episode demonstrates that the primary threat to the country's stability stems not from the direct geopolitical shocks of Sino-American rivalry, but rather from the structural weaknesses of its public administration and the growing disconnect between the ruling elite and the younger generation. In this sense, Timor-Leste fits squarely into the category of countries whose systemic trajectories are driven – and ultimately undermined – by their own unresolved domestic tensions.

Another group of polities – including, among those analyzed in this volume, Hong Kong (or, rather, China's policy in this city), Vietnam and Nepal – il-

15. In international economics and environmental governance, the concept of «blue economy» defines the sustainable management of ocean-based activities, which balances economic growth with ecosystem preservation. In the specific case of Timor-Leste, where offshore oil and gas revenues are dwindling, the government's blue economy strategy targets the development of alternative, non-extractive sectors – such as eco-tourism, sustainable aquaculture, local fisheries, and upgraded maritime infrastructure – to foster job creation and diversify a national budget historically reliant on fossil fuel wealth.

lustrates the absolute primacy of exogenous forces, where domestic trajectories are directly dominated, distorted, or subordinated by the structural pressures of the Sino-American antagonistic duopoly. Within these polities, domestic politics and internal crises are not generated from within; instead, they are entirely dominated and moulded by overwhelming exogenous pressures. In these cases, the systemic competition between Washington and Beijing reshapes civic spaces, dictates macroeconomic parameters, and severely restricts the margin of manoeuvre for local actors.

Whether through direct administrative absorption, intense trade and tariff coercion, or structural developmental dependence, these political entities find their stability entirely hostage to external systemic shocks. Consequently, their internal political developments and foreign policy adjustments cannot be understood as organic products of domestic dynamics, but must be interpreted as immediate, unmediated reflections of the overarching global confrontation which keeps in its grip most of Asia Maior.

The most absolute and dramatic example of a polity systematically reconfigured by exogenous forces is provided by the territory (or «Special Administrative Region») of Hong Kong. In her analysis, Than Kiū highlights the emergence of a highly specific political-economic equilibrium which she terms «conditioned continuity».[16] Under this framework, Beijing has fully operationalized its comprehensive national security architecture, utilizing high-profile judicial prosecutions, administrative reshuffling, and calibrated appointments to definitively silence domestic dissent and narrow the boundaries of civic space and media independence. As Than Kiū demonstrates, this internal political asphyxiation does not stem from a domestic crisis of governance, but is the end result of policy decisions taken in Beijing, with the sole aim of promoting the strategic interests of the People's Republic of China.

Significantly, Than Kiū also demonstrates that Hong Kong's core wholesale financial functions – such as Renminbi clearing, international bond markets, and high-end professional services – have been intentionally insulated and maintained to secure China's economic gateway to the world. To mitigate the rising investor caution and the selective flight of private mobile wealth triggered by Western sanctions, Beijing has accelerated the territory's deep economic integration into the Greater Bay Area (GBA) and prioritized RMB internationalization, namely the increase of the global use of Chinese currency (the renminbi or yuan) for trade, investment, and central bank reserves. In this situation, external actors like the United States, the United Kingdom, and the European Union have attempted to balance normative condemnation with continued commercial engagement.

16. Than Kiū, '*Hong* Kong 2025: Conditioned continuity under National Security', in this volume.

An analogous case of pure exogenous conditioning – which, moreover, is exerted over a well-consolidated state apparatus – is that of Vietnam. In his analysis, Fabio Figiaconi illustrates a profound paradox that, in 2025, characterized the country's political evolution.[17] Domestic politics were entirely dominated by the unchallenged ascendancy of Communist Party's General Secretary Tô Lâm, who successfully launched radical administrative mergers to streamline the state machinery ahead of the 14th National Congress. Despite this formidable centralization of executive authority, nonetheless, the country's macroeconomic and strategic pathways remained completely hostage to external forces. As shown by Figiaconi, Vietnam's stability in 2025 was systematically tested not by internal governance failures, but by the intensifying trade and tariff turbulences generated by the Sino-American antagonistic duopoly. Hanoi's traditional «bamboo diplomacy» – the historical foreign policy doctrine aimed at maintaining parallel, balanced relations with all major global players[18] – revealed its severe structural limits in a global landscape upended by Trump's radically transactionalist policy.

As Trump-imposed aggressive tariff policies disrupted global value chains, Vietnam found itself in an increasingly precarious position. To preserve its robust economic growth, Hanoi was forced to abandon its traditional policy of mistrust towards China, deepening its commercial links and maritime confidence-building measures with Beijing. This pushed China-Vietnam bilateral trade toward new records. Simultaneously, Hanoi engaged in intense diplomatic manoeuvring – mobilizing high-profile strategic dialogues and bilateral meetings – to insulate Vietnam from punitive American trade measures driven by its ballooning bilateral surplus. Ultimately, Figiaconi's analysis highlights a striking paradox: despite its formidable internal cohesion and centralized bureaucratic grip, Vietnam in 2025 operated within an exceptionally narrow margin of manoeuvre. The country's predicament demonstrates how the systemic pressures of the superpowers' confrontation can decisively dictate the international posture of even the most stable regional actors.

The final example of a domestic crisis determined by exogenous pressure is provided by Nepal. In his comprehensive analysis of the political evolution of this country in the years 2024 and 2025, Puspa Sharma highlights a dramatic domestic flashpoint: the outbreak of violent youth protests led by «Generation-Z» in September 2025.[19] These street confrontations – imme-

17. Fabio Figiaconi, 'Vietnam 2025: Tô Lâm's powerplay and the limits of bamboo diplomacy', in this volume.

18. Richard Quang-Anh Tran, 'Vietnam 2024: Continued economic growth, change in leadership, and «Bamboo Diplomacy»', *Asia Maior*, Vol. XXXV/2024 (2025), pp. 223-233.

19. Puspa Sharma, 'Nepal in 2024-2025: Political upheaval, economic challenges and mixed foreign relations', in this volume.

diately triggered by a government ban on several unregistered social media platforms – reflected a deep-seated domestic frustration with the self-centric and inefficient governance of traditional political elites. Yet, as Sharma's analysis demonstrates, Nepal's overarching vulnerability and its long-term stability were predominantly dictated by external structural frameworks rather than domestic political tensions. In fact, as shown by Sharma, Nepal is facing immense macroeconomic pressure due to its scheduled graduation from Least Developed Country (LDC) status to developing country status in November 2026. This is an institutional transition that automatically entails the loss of vital international trade preferences. This delicate internal economic adjustment is further complicated by an asphyxiating external environment, where Kathmandu's margin of manoeuvre is severely restricted. In fact, every major infrastructural choice, developmental loan, and foreign policy decision on the part of Nepal has become entirely hostage to geopolitical competition. In the final analysis, Sharma's assessment underscores that Nepal is trapped not only within the contracting space generated by the Sino-American antagonism, but also within the overlapping sub-regional rivalry between Beijing and New Delhi.

A third and more complex category is defined by an intricate hybridity. In these cases, the structural pressures of the Sino-American antagonistic duopoly do not simply overpower local dynamics; instead, they intersect and fuse with pre-existing, deep-seated internal institutional crises. Within this group of states – which include India, Japan, the Republic of Korea, the Democratic People's Republic of Korea, Iran, Thailand and the Philippines – domestic political convulsions and external geopolitical pressures act as mutually reinforcing factors of crisis. Geopolitical pressure, rather than operating as an external shock, becomes internalized, providing local elites with the rationales, pretexts, or economic imperatives to accelerate domestic systemic transitions, such as executive centralisation or the militarisation of governance. Consequently, any attempt to surgically separate the domestic factors from the international ones when analyzing the plight of these states is bound to fail; local and global causes of crisis have merged.

The most significant of these hybrid cases is India. Here, the profound vulnerabilities of the subcontinental giant cannot be neatly categorized as the end result of purely internal or external causes; rather, they represent the necessary outcome of the sum of a decade-long domestic restructuring under the Narendra Modi regime (2014-2025) and severe international shocks. This is a thesis grounded on the comprehensive body of research carried out by *Asia Maior* since Volume XXV/2014. The essential features of this thesis are, in a way, forcefully synthesised in the Special Issue No. 3/2025, to which, for the sake of simplicity, we may refer. In it, James Manor's analysis highlights a severe political crisis driven by the systematic

de-institutionalisation of the state, the hollowing out of regulatory bodies, and an unprecedented concentration of power within the Prime Minister's Office.[20] This political centralisation directly reinforces the exclusionary crony capitalism identified by Elisabetta Basile and Claudio Cecchi as a defining feature of the Indian economy undern the Modi dispensation. [21] Consequently, while a veneer of high GDP growth is maintained, domestic inequality has expanded and the vast informal sector remains trapped in permanent precarity. Within this fragile socio-economic landscape, the regime systematically utilizes majoritarian identity politics – Hindutva – to fracture societal resistance along religious lines and maintain social control. This political ideology is directly reflected in contemporary Indian architecture and urban planning, where, as Pilar M. Guerrieri convincingly argues, grand architectural spectacles are deployed to showcase and reinforce a belligerent Hindutva iconography, while systematically enforcing a *damnatio memoriae* of the Nehruvian secular legacy.[22]

Yet, the true hybridity of the Indian case is brought into sharp relief by the two India-related essays published in this volume, one – focussed on the domestic situation – authored by Diego Maiorano and Raghaw Khattri[23]; the other – focussed on India's foreign policy – authored by Ian Hall.[24]

As anticipated in the opening section of this foreword, New Delhi's strategic overconfidence regarding Donald Trump's return proved to be a profound miscalculation, the geopolitical and diplomatic consequences of which are meticulously laid bare by Ian Hall and the economic ones thoroughly analyzed by Diego Maiorano and Raghaw Khattri. Far from being a mere diplomatic friction, the ensuing bilateral tension culminated in a punitive trade war unleashed by the Trump administration. This aggressive stance manifested in severe economic measures, including US tariffs reaching up to 50% on the bulk of Indian goods and the imposition of a steep US$ 100,000 fee on H-1B visas.

The resulting distress, caused by this unexpected and brutal economic pressure, worsened dramatically in the wake of the April military crisis in Kashmir. As already hinted, India's subsequent retaliation against Pakistan exposed severe structural limits in New Delhi's decade-long coercive strategy, ultimately leading to a deeply damaging diplomatic setback. While Donald Trump loudly boasted of having brokered an unrequested ceasefire -a

20. James Manor, 'Narendra Modi's India ten years on: A second Indian Republic or a second Emergency?', *Asia Maior - Special Issue No.3/2025* (2026), pp. 15-38.

21. Elisabetta Basile and Claudio Cecchi, 'Modi's India as a Variety of Authoritarian-Hegemonic Capitalism' *Asia Maior - Special Issue No.3/2025* (2026), pp. 39-88.

22. Pilar M. Guerrieri, 'Architecture and Urban Planning as Pivotal Tools in Narendra Modi's Political Agenda', pp. 89-105.

23. Diego Maiorano and Raghaw Khattri,'India 2025: Economic paradoxes, political recovery, and the battle for electoral integrity', in this volume.

24. Ian Hall, 'India 2025: Turbulence and turmoil in foreign policy', in this volume (already cited).

narrative promptly endorsed by Islamabad as a tactical opportunity to drag the United States into the Kashmir dispute – New Delhi's firm denial of any external mediation triggered a visible and severe deterioration in Indo-US relations. Indeed, by rejecting Washington's involvement, India forcefully reaffirmed its historical refusal to tolerate third-party intervention in its bilateral conflict with Pakistan. The Trump administration subsequently increased tariffs from an unprecedented and extremely high 25% on most Indian goods to a prohibitive 50%. Here, the suspicion – voiced, among others, by a figure of the calibre of Raghuram Rajan, a former governor of the Reserve Bank of India – is that this punitive escalation was likely motivated by Trump's desire for political retaliation after New Delhi refused to validate his self-proclaimed role in resolving the Indo-Pakistani crisis.[25] Ultimately, this entire episode powerfully demonstrates the negative, cascading impact of external shocks upon India's domestic landscape, revealing how deeply international pressures could penetrate and destabilise the subcontinental giant's internal economic security.

This external pressure was compounded by Beijing continued and relentless geoeconomic and infrastructural penetration across the subcontinental periphery, effectively bringing India's immediate neighbours under its growing influence and leaving New Delhi increasingly isolated.

Once all the above is taken into consideration, the argument so relentlessly and consistently put forward by the Modi government's apologists – that Modi's foreign policy is a resounding success and a proof of strategic autonomy – seems hollow. A more realistic analysis reveals a different truth: India remains unable to exert effective influence even over its far less powerful neighbours on the subcontinent.[26] When mirrored against these structural setbacks, the widening gap between New Delhi's foreign policy grand rhetoric and its actual strategic substance becomes starkly evident.

What has been said so far, however, should not lead us to underestimate the current Indian government's remarkable ability to adapt and respond under pressure, particularly on the domestic front. As Maiorano and Khattri underscore in this volume, the ongoing democratic involution has legally and institutionally reinforced the ruling party. Yet, the BJP-led government still had to deploy significant tactical skill to counter deep structural vulnerabilities. Indeed, during 2025, the Modi administration successfully managed a volatile economic scenario – marked by uneven growth and a severe job-creation deficit – while securing decisive victories in the Delhi and Bihar state elections.

25. Sanstuti Nath, "Russian Oil Wasn't An Issue": Raghuram Rajan's Take On US Tariffs On India, «NDTV», 10 December 2025. Rajan also noted that Pakistan, having endorsed Trump's claim, secured a tariff rate of just 19%.

26. As demonstrated by Michelguglielmo Torri and Filippo Boni in the Special Issue No. 3.

This resilience was especially evident in New Delhi's response to external economic shocks. When the International Monetary Fund (IMF) downgraded India's national accounts statistics to a «C» grade due to the use of artificial deflators, the government reacted with sweeping internal counter-measures. These included a major structural overhaul of the Goods and Services Tax (GST) and the long-delayed enforcement of the four landmark Labour Codes in late 2025. Furthermore, this sophisticated capacity for crisis management extended to security. By deploying military force after Pahalgam but choosing strict police restraint following the subsequent November Red Fort blast in Delhi, the government demonstrated its ability to dictate the domestic media cycle and maintain full political command – a task facilitated by the widespread self-censorship practiced by most Indian media to avoid government reprisals.

Ultimately, the analyses of India provided in this volume lay bare a profound paradox. They depict a country whose increasingly authoritarian involution has endowed the ruling party and its leader with almost complete control of the internal political situation, strengthened by narrative control. Nonetheless, it is also a country trapped in a situation of long-term socio-economic predicament, caused by the intermingling of exogenous and endogenous causes.

This intricate intermingling of internal instability and structural external coercion is equally visible in the case of Japan. As Raymond Yamamoto and Marco Zappa demonstrate, Tokyo's contemporary trajectory throughout 2025 shatters any illusion of Japanese exceptionalism regarding political continuity or strategic immunity from global pressures.[27]

On the endogenous front, Japan experienced an unprecedented domestic political earthquake, as the long-ruling Liberal Democratic Party (LDP) lost its parliamentary majority in both houses of the National Diet for the first time since 1955. This legislative paralysis was compounded by mounting public discontent over a soaring domestic inflation driven by rising staple commodity prices. The end result was the erosion of the governance capacity of the state, a situation that ultimately led to the political unseating of Prime Minister Ishiba Shigeru. The subsequent rise of Takaichi Sanae as Japan's first female prime minister represented a significant ideological lurch to the right.

As an assertive heir to Abe Shinzō's nationalist legacy, Takaichi's platform of expansionary fiscal policy was driven by a radicalised adaptation of Abeist doctrine. This approach amplified massive state spending to fund military strengthening and strategic resilience. However, such radicalism immediately generated profound domestic resistances, most notably clashing with the orthodox monetary stance of the Bank of Japan.

27. Raymond Yamamoto and Marco Zappa, 'Japan 2025: External shocks, domestic turbulence and the rise of Takaichi Sanae', in this volume.

As Yamamoto and Zappa's analysis highlights, this severe domestic turbulence cannot be viewed as detached from the destabilising exogenous forces exerted by the international system. Under the pervasive shadow of the conflictual US-China duopoly, Tokyo has been forced to accelerate the «normalisation» of its security and military posture to deal with intensifying regional tensions. In fact, much like the Indian case, Japan's strategic landscape was profoundly disrupted by the return of Donald Trump to the White House. The ensuing geopolitical shock forced the newly established Takaichi cabinet into an anxious, asymmetrical effort to woo the US administration. Tokyo was compelled to urgently reaffirm the US-Japan security alliance and its nuclear deterrence guarantees, whilst continuing to try to balance Beijing's expanding regional influence. Ultimately, the Japanese case perfectly encapsulates the hybrid paradigm: a historical pillar of regional stability finds its domestic democratic consensus fracturing at home, precisely as it is caught in the crushing strategic and economic cross-currents of a zero-sum superpower rivalry.

A no less dramatic – and highly volatile – manifestation of this hybrid crisis is found in the Republic of Korea. As Marco Milani and Antonio Fiori's essay powerfully illustrates, Seoul's trajectory throughout 2025 shatters the conventional narrative of South Korea as an unshakeable, consolidated liberal democracy smoothly navigating external storms.

On the endogenous front, the country was rocked by deep political turbulence. The extreme domestic polarization under conservative President Yoon Suk-yeol – which had culminated in his attempt to impose martial law – led to his formal impeachment in April 2025. The subsequent snap presidential election in June 2025 brought Lee Jae-myung to power, inaugurating a volatile new political cycle aimed at restoring institutional stability amidst severe ideological fractures. This transition severely strained the state's political cohesion, exposing the fragility of South Korea's democratic apparatus.

Far from being isolated, this domestic turbulence directly intersected with, and was aggravated by, acute exogenous pressures emanating from the US-China conflictual duopoly. Seoul found itself trapped in an increasingly dangerous security environment, exacerbated by the deepening strategic and military alliance between North Korea and Russia. Much like the Japanese and Indian experiences, South Korea's strategic landscape was profoundly disrupted by Donald Trump's return to the White House and the launching of his myopic transactionalist policies. The ensuing geopolitical shock cast serious doubt among South Korea's political leadership and public opinion regarding Washington's traditional regional security guarantees, as the new US administration revived aggressive demands for increased defence burden-sharing.

Another striking, mirror-like example of this hybrid category – where domestic crises are fundamentally determined by the symbiotic convergence

of endogenous and exogenous factors – is offered by the Democratic People's Republic of Korea (DPRK). Throughout 2025, Pyongyang's strategic trajectory was heavily driven by the shifting fault lines of the US-China duopoly, compounded by Russia's aggressive Eurasian diplomacy. Rather than a purely passive reflection of exogenous shocks, however, North Korea's international posture was a calculated domestic response to long-standing, suffocating endogenous vulnerabilities – most notably chronic economic stagnation, food distribution crises,[28] and the ideological strain of formally abandoning the constitutional goal of pan-Korean reunification.[29] To secure regime survival despite the state's chronic structural weakness – rooted in a severely stagnant economy unable to provide basic welfare – Kim Jong-un leveraged external alignments. He locked Pyongyang into deep military and logistical integration with Moscow through the operationalization of the 2024 Comprehensive Strategic Partnership Treaty.[30] While this alignment provided the regime with vital Russian energy and technology, it also exposed the country to Trump's volatile transactionalism. Furthermore, it significantly heightened Beijing's growing unease; China increasingly feared that such an unchecked axis could provoke a major nuclear-armed escalation, potentially breaking the fragile status quo and triggering a massive Western military deployment along its immediate frontier.[31]

An equally dramatic and systemically acute manifestation of this hybrid dynamic is exemplified by the Islamic Republic of Iran throughout 2024-2025. As demonstrated by the complementary analyses of Anahita Motazed Rad and Hamideh Saberi in this volume, Tehran's current trajectory represents a perilous convergence where a collapsing regional posture fuses with deep-seated, historically rooted domestic fragility.[32] On the endogenous front, the political establishment faced a severe crisis of institutional legitimacy, compounded by the sudden death of President Ebrahim

28. E.g.: Research Institute for North Korean Society, 'Dying of Starvation: Hunger in North Korea', *The Asia-Pacific Journal/Japan Focus*, Vol. 6, Issue 5 (3 May 2008); Human Rights Watch World Report 2026: *North Korea. Events of 2025*; Sophia Brachtendorf, 'Despite Offers of International Aid Food Security in North Korea Remains Critical', *Welthungerhilfe*, April 2025; Benjamin Katzeff Silberstein, 'A wealthier North Korea widens Kim Jong-un's options', «East Asia Forum», 5 February 2026.

29. E.g.: Christopher Green, 'Korean unification dream forsaken, new goal is managing division', *Asia Times*, 12 September 2025; Richard Connor with AFP, dpa, Reuters, 'North Korea drops reunification goal from constitution', *Deutsche Welle*, 6 May 2026.

30. 'Full Text of Russia-North Korea Strategic Agreement', *Trascend Media Service*, 24 June 2024 (the agreement was signed on 20 June 2024).

31. Jiyong Zheng, 'China is confronting new realities on the Korean Peninsula', *Brookings*, 30 April 2026.

32. Anahita Motazed Rad, 'Iran 2024-2025: Strategic retrenchment amid regional setbacks and systemic pressures' and Hamideh Saberi, '«We did not make a revolution to go backwards»: The Iranian women's uprising of march 1979 and its systematic erasure from historical memory', both in this volume.

Raisi in May 2024 and historic low voter turnouts. This situation was further exacerbated by entrenched economic decay and a pervasive state-society rupture. Crucially, Saberi's analysis reveals that the widespread social unrest and the contemporary demand for regime change – exemplified by the «Woman, Life, Freedom (Zhina)» movement – are not spontaneous or isolated anomalies. Rather, they constitute the maturation of an unfinished historical struggle for bodily autonomy and political agency that began with the spontaneous women's uprising of March 1979 against compulsory hijab. For over four decades, in defiant response to this «dual patriarchy» – which combines private male dominance with state-codified public coercion – this resistance has evolved, transforming from a defensive reaction into a proactive, autonomous political force that challenges the very foundations of the theocratic order.

Yet, this internal state-society alienation and systemic crisis were constantly amplified and moulded by crushing external shocks. The erosion of Iran's forward defence doctrine – culminating in the collapse of the Assad regime in late 2024 and the degradation of the Axis of Resistance – stripped Tehran of its regional strategic depth. The situation reached a volatile climax in June 2025 with a direct military confrontation against Israel and the United States. This was followed in September by the reactivation of the UN «snapback» sanctions mechanism, spearheaded by the E3 European diplomatic trio (France, Germany, and the United Kingdom). The move triggered the automatic reimposition of previous international penalties linked to Iran's nuclear program, locking the country into severe international isolation.

In a desperate bid to prop up its crumbling international position, Tehran leveraged its «Look East» doctrine. It formalized long-term arrangements with Moscow through the January 2025 Comprehensive Strategic Partnership Agreement. Simultaneously, it deepened its asymmetric energy dependence on China. However, as the June war and the reimposition of sanctions revealed, the strategic reciprocity of both Russia and China remained strictly bounded by their own geopolitical risk calculations. Instead of breaking its isolation, Iran simply became more vulnerable, trapped in an unequal relationship where Russia and China held all the leverage. Thus, the Iranian case is a perfect example of the hybrid category, proving how international containment, regional military degradation, and a historical, forty-year internal struggle against a dual patriarchy have completely merged, trapping the securitized regime between global pressures and an unyielding domestic resistance.

Another manifestation of the hybrid dynamic discussed here is provided by Indonesia. Our analytical framework reads the country's contemporary trajectory as an intricate symbiosis where a policy of state restructuring, centralization and militarization is driven not only by President Prabowo Subianto's unambiguous authoritarian leaning, but ultimately also

by the necessity to cope with the external challenges arising from the working of the conflictual US-China duopoly.

No doubt, on the endogenous front, 2025 marks a watershed moment for the consolidation of executive power under President Prabowo Subianto, driven by his sweeping governance initiative known as the «Red-and-White» (*Merah-Putih*) project. As Teuku Reza Fadeli convincingly demonstrates,[33] Prabowo's pronounced domestic centralization and the integration of the military into civilian governance do not stem from exogenous economic crises. Rather, they take place within a context of relative macroeconomic stability and elite consensus, which the new presidency has skilfully exploited to restructure institutions and discipline civil society. Yet, if the genesis of this authoritarian turn is domestic, we argue that its long-term sustainability cannot be decoupled from the structural pressures of the international system.

Indeed, it is under the shadow of the Sino-American rivalry – which, as already pointed out, increasingly treats any exclusive alignment as an act of hostility – that Jakarta's traditional posture of non-alignment is pushed to its absolute limits. In order to finance its immense domestic undertakings and sustain the very economic stability that legitimizes the regime, the Prabowo administration is forced into a precarious balancing act. On the one hand, it attempts to secure vital flows of Chinese capital by deepening its economic integration with Beijing; on the other, it simultaneously tries to placate Washington by reinforcing its long-standing security cooperation. This means that, although the restructuring of the Indonesian state is generated by internal political calculations rather than external shocks, the country cannot escape global systemic pressures. Consequently, Indonesia qualifies as a hybrid case because its domestic political survival and its economic security have become hostage to the sharp, conflicting forces emanating from the US-China duopoly.

Another prominent example of a hybrid case, where the structural pressure of the Sino-American antagonistic duopoly adds itself to a domestic-generated crisis is that of Thailand. In his assessment of the evolution of the Land of the White Elephant in 2025, Paul Chambers analyzes a year of profound institutional insecurity and political transition.[34] The year began with the Thaksin Shinawatra-influenced Pheu Thai party leading a fragile coalition government under Thaksin's daughter, Paetongtarn. In this situation, pre-existing domestic institutional vulnerabilities were rapidly weaponized by conservative forces. Following controversies over a leaked private phone call with Cambodia's former Premier Hun Sen – in which Thaksin's daughter criticized the Thai military's handling of the bilateral

33. Teuku Reza Fadeli, 'Indonesia 2025: The «Red-and-White» project and the consolidation of executive dominance', in this volume.

34. Paul Chambers, 'Thailand 2025: Year of insecurity and transition', in this volume.

border conflict – the conservative-leaning judiciary temporarily suspended Paetongtarn in June, ultimately ousting her and her government in August for alleged ethical violations. This judicial intervention paved the way for a new coalition led by Anutin Charnvirakul, the leader of the Bhumjai Thai party, who, despite his alignment with the royalist-military establishment, also secured short-term progressive backing by promising imminent constitutional reform and the dissolution of the Lower House.

As pointed out by Chambers, these domestic political developments were linked to an engineered external crisis. Throughout July and the latter half of the year, the Thai military engaged in violent border clashes with Cambodia. In turn, these frontier skirmishes were systematically used by the military as a convenient pretext to escape civilian control and reassert their autonomous political power within the state. This internal militarization and institutional decay unfolded against a backdrop of economic stagnation and a deep dependence on Chinese support.

In the final analysis, Anutin's fragile tenure was beset by a multi-layered crisis. On the international stage, his government had to manoeuvre through the turbulent geopolitical wake of the Sino-American rivalry. Domestically, external pressure was exacerbated by immediate, compounding challenges, ranging from the proliferation of regional crime syndicates to severe environmental disasters. By the time the Lower House was dissolved at the end of the year, Thailand's situation provided a flawless example of a mixed case: an arena where domestic executive instability, judicial activism, and military autonomy did not occur in a vacuum, but were constantly fuelled by, and adapted to, the overarching geostrategic pressures of the antagonistic US-China duopoly.

A final, compelling case of complex convergence of internal instability and structural external pressure – although a case endowed with highly specific and distinctive national characteristics – is exemplified by the Philippines. As Enrico Gloria's essay demonstrates, Manila's trajectory over the 2024-2025 period exposes the profound institutional fragility of a democracy in the grip of elite family rivalries and constrained by superpower competition.[35]

On the endogenous front, the country witnessed the dramatic and venomous unravelling of the UniTeam alliance, the electorally dominant coalition that had brought President Ferdinand Marcos Jr. and Vice President Sara Duterte to power in 2022. Far from a mere episodic political spat, this rupture degenerated into an all-out factional war, which paralyzed state institutions, fought through impeachment threats, corruption exposés, and highly public scathing attacks between the two entrenched political dynasties. This bitter domestic feuding severely compromised the state's gov-

35. Enrico Gloria, 'The Philippines 2024-2025: Feuding families, weak institutions, and the limits of Philippine democracy', in this volume.

ernance capacity and diverted vital developmental spending, underscoring how deeply embedded personalization and weak bureaucratic structures remain within the Philippine polity.

This severe domestic instability directly intersected with, and heavily conditioned, the archipelago's alignment within the conflictual US-China duopoly. Political rivalries at home intensified extreme and contrasting foreign policy positions, as the Marcos administration continued its resolute shift away from the pro-Chinese stance of the previous Duterte administration, aggressively pivoting back to Washington. The Marcos administration's objective was both to fortify the Philippine external defence posture and secure crucial Western economic partnerships, while simultaneously consolidating its domestic political dominance. This strategic shift thrust Manila at the centre of the tensions arising from the antagonistic US-China duopoly, resulting in the Philippines being caught in recurring, highly dangerous maritime confrontations with an increasingly assertive China over disputed landforms in the South China Sea, such as the Scarborough Shoal.

Ultimately, the analysis of the Philippines in this volume depicts a nation where the breakdown of the domestic elite consensus directly exacerbates, and is simultaneously intensified, by the country's exposure to the perilous, zero-sum geopolitical rivalry between Washington and Beijing.

The analytical framework applied so far – which classifies contemporary Asian regimes on the basis of their varying degrees of vulnerability to the US-China conflictual duopoly – is not without its significant exceptions. Indeed, a comprehensive mapping of the continent reveals the existence of specific sub-regions, where the impact of the US-China conflictual duopoly is largely attenuated or superseded. In these areas, domestic political survival and external alignment are dictated not by the currents of maritime superpower competition, but by alternative, continental matrices of power and regional patronage that occur according to a distinct explanatory logic.

The first notable exception to the tripartite taxonomy hitherto followed, is that of Azerbaijan, analyzed in this volume by Carlo Frappi.[36] Throughout 2025, Baku's authoritarian regime leveraged the accelerating fragmentation of the Eurasian order to aggressively expand its strategic autonomy and external influence. As Frappi demonstrates, Azerbaijan transcended the structural constraints typical of small states, adopting a highly transactional and revisionist role, usually associated with assertive middle powers. Acting in interconnected regional theatres – spanning Central Asia, the Black Sea, and the Middle East – the Aliyev leadership deployed a calculating, opportunistic diplomacy, even acting as a silent transactional

36. Carlo Frappi, 'Azerbaijan 2025: Foreign policy behaviour in a fragmenting Eurasian order', in this volume.

mediator between Turkey and Israel during regional crises. The Azerbaijani case demonstrates how centralized autocracies can exploit the decay of multilateral architectures and the ensuing geopolitical vacuum. Rather than a threat, this vacuum becomes a chessboard where otherwise secondary actors can project power externally and consolidate their regime's survival at home. But, of course – as we shall explain below – this is possible less because of the political ability of the Azerbaijani leadership than because of the particular and privileged geopolitical position of the country.

A further exception to the analytical classification adopted in this foreword is represented by the Central Asian countries, examined in this volume by Nicolò Fasola and Sara Berloto.[37] In Central Asia, the traditional regional order has transitioned from a historical Russian monopoly to a complex system of «dual patronage», jointly exercised by Moscow and Beijing. Throughout 2025, as documented by Fasola and Berloto, the region, rather than witnessing a geopolitical clash, reflected a broader strategic alignment: both China and Russia prefer to cooperate to keep the West out of the region, rather than compete destructively over control of individual client states.

This high-level coordination between Moscow and Beijing creates a situation of stability within which local governments can operate, playing on the economic resources of China and the security guarantees of Russia. Favoured by this geopolitical situation, the five Central Asian republics have smartly deployed sophisticated multi-vector foreign policies and hedging strategies to further their own national interests.

Naturally, at this point, a question arises: why are Azerbaijan and the Central Asian republics able to preserve, or even expand, genuine freedom of choice, whilst giants such as India and Japan or historically astute states in South-East Asia find themselves caught in the Sino-American stranglehold?

The answer lies in the convergence of three structural factors that radically distinguish the South Caucasus and Central Asia from the rest of the Asian continent.

The first is the absence of a «maritime front» and the continental nature of these states. The Sino-American conflictual systemic duopoly is, in its geopolitical essence, a clash played out along the maritime and insular fault lines of the Indo-Pacific. Washington exerts its maximum military and customs pressure either where it can deploy its fleet – specifically against Indo-Pacific island and coastal states – or where it commands historical containment alliances such as Japan, Taiwan, and the Philippines. Additionally, it targets areas where it can easily block strategic maritime checkpoints, most notably the Strait of Malacca. But, of course, it has no way to exert its military power on Central Asia, namely an entirely landlocked area, or Azer-

37. Nicolò Fasola & Sara Berloto, 'From Monopoly to Dual Patronage: The evolution of Russian and Chinese influence in Central Asia (1991-2025)', in this volume.

baijan, which abuts on a closed sea – the Caspian Sea – where the US Navy is not present. In the absence of Washington's immediate physical pressure, the binary nature («either with us or against us») of the Sino-US systemic duopoly is relaxed. This grants these countries a degree of strategic leeway denied to their neighbours situated along, or in close proximity to, the littorals of the Pacific and Indian Oceans.

The second factor explaining the difference we are discussing is the geopolitical configuration of the landlocked parts of Asia. Here the US is de facto absent, and the two main powers, competing for hegemony are Russia, the former hegemon, now on a declining trend, and China, the emerging power. So, here the question is: why in Central Asia and the Caucasus the competition between the two dominant powers does not deploy along the same lines of the China-US competition, causing the same results on the other, minor powers? This happens because China and Russia prefer to cooperate to keep the West out of the region, rather than go to war over control of individual client states. This high-level coordination between Moscow and Beijing paradoxically creates a buffer of institutional stability within which local governments can operate, playing on the nuances and economic needs of one (China) and the security needs of the other (Russia).

Finally, there is a third factor, namely the availability of key energy resources in the Caucasian and the Central Asian countries. Both Azerbaijan (oil and gas) and Central Asian republics such as Kazakhstan (uranium, hydrocarbons, rare earths) and Turkmenistan (natural gas) hold raw materials that the whole world – including the European Union – desperately needs for energy transition and to break free from Russian dependence. This gives these states a clout difficult to underestimate: those who possess such strategic resources are not subject to the rules of the global market; to a large extent, they dictate them. Baku, for example, has immense bargaining power with Europe precisely because it supplies gas as an alternative to Russian gas. On the top of the availability of key energy resources, Central Asian states have an additional instrument of power: they control the overland routes linking China to Europe. Which means that they play a key role in making possible the strategic and economic expansion pursued by Beijing through the implementation of the Belt and Road Initiative.

Moving beyond these continental exceptions, a rigorous mapping of the contemporary Asian crisis cannot turn a blind eye to those areas of crisis that, while stretching beyond the traditional geographic boundaries of *Asia Maior*, profoundly reverberate across the entire continent and beyond, challenging our very understanding of international justice. It is precisely because of this and because the ethical imperative that must animate any concerned intellectual enquiry in times of systemic brutality, that this vol-

ume includes Enrico Bartolomei's essay on the Palestinian question.[38] Far from being a detached Middle Eastern anomaly, the ongoing tragedy in the area between the Jordan River and the Mediterranean Sea constitutes an in-depth and dangerous geopolitical fault line, whose destabilizing waves heavily affect the rest of the word and, hence, Asia Maior.

As Bartolomei demonstrates, the conceptualization of Zionism as a specific form of «settler colonialism» and a «colonialism of a dual nature» was not an afterthought of Western academia. This radical perspective was systematically pioneered in the mid-1960s and early 1970s within Palestinian anti-colonial thought, particularly through the works of Fayez Sayegh and the PLO Research Centre. By individuating and analyzing this foundational intellectual heritage, the essay illustrates how the Palestinian liberation movement had already clearly identified the «logic of elimination» and the systematic racialization of sovereignty as the core components of Zionist policy.

In the economy of this volume, introducing this radical perspective serves a dual purpose: geopolitically, it reminds us that the erosion of the rules-based international order is accelerated by the double standards applied to the Palestinian tragedy; ethically, it reaffirms the duty of a scientific journal not to shield itself behind rigid regional taxonomies when the human and political costs of conflict demand absolute analytical clarity and intellectual solidarity.

In conclusion, the essays collected in this volume lead to a clear and unsettling awareness: Asia Maior (the region) is caught within a tightening pincer. Its two jaws – the external pressure of the Sino-US confrontation and internal political and social crises – are relentlessly closing in upon individual states, proving that these two dynamics are now inseparable. Although exceptions to this rule do exist – and have been discussed in this volume – the bleak reality of contemporary Asia is one moulded by both great power rivalry which feeds on local vulnerabilities, and by domestic crises, systematically amplified by exogenous factors. Ultimately, therefore, the analyses presented in this volume and synthetized in this foreword shatter any residual illusion of a rules-based international order, exposing a landscape where international law is replaced by double standards, and where external coercion and domestic polarization consolidate illiberal governance, insulate ruling elites, and foster increasingly unjust societies.

Against this disheartening backdrop of systemic decay, the role of the intellectual becomes critical. As Edward Said reminded us, an intellectual's

38. Enrico Bartolomei, '«Colonialism of a Dual Nature»: Fayez A. Sayegh, the PLO Research Centre and a Palestinian genealogy of the settler colonial paradigm', in this volume.

primary task is to speak truth to power – a mandate that requires total impartiality and objectivity in the selection and analysis of the relevant data. It also requires singling out, on the one hand, the falsehoods and abuses of those in power, and, on the other, the inadequacies and ambiguities of opposing forces. It is through this ceaseless effort to offer some analytical clarity that we can hope to help understand and resist the looming dangers of our times.

Michelguglielmo Torri

China 2025: «Focus our energies on doing our own things well»

Flora Sapio

University of Naples "L'Orientale"
fsapio@unior.it

«Focus our energies on doing our own things well» is a quotation from President Xi Jinping revitalized by the People's Daily as the United States escalated reciprocal tariffs on Chinese origin goods to 84%. This quote aptly conveys the prevailing trend in domestic politics over the past year. The prioritization of national interest and a resolve to quietly reshape the global governance system to align with those interests have been active undercurrents since the inception of Xi Jinping's New Era. In 2025 the on-going hybrid confrontation with the United States brought this agenda to the very forefront of domestic politics. For the first time since the end of the Mao era, security has become the interpretive lens through which all domestic policy, including economic policy, must be viewed. A forceful response was therefore provided to both long-standing and emerging domestic challenges, including the protracted real estate market crisis, destructive price wars among domestic enterprises, and water conservancy, food and energy security. At the same time, a major purge within the army further concentrated decision-making power in the hands of Xi Jinping. This recalibration of the domestic governance apparatus also extended to the periphery, legislative organs and grassroots-level Government organs. The frontier provinces of Tibet and Xinjiang were singled out as strategic pivots of water and supply-chain security. Strict requirements for ideological conformity virtually erased any existing differentiation between legislative organs and the Party, grassroots-level Government organs and the Party.

Keywords – China; 15th Five-Year Plan; security; real estate market; Xi Jinping; Chinese Communist Party; fourth plenum.

1. *Introduction*

Major developments in the internal politics of the People's Republic of China in 2025 are best described by a quotation from Xi Jinping: «(…) we must focus our energies on doing our own things well, continuously strengthen our overall national power, continuously improve the lives of our people, continuously build a socialism that is superior to capitalism, and lay a more solid foundation for us to continuously win the initiative, win the advantage and win the future» [Xi 2013]. These words were spoken twelve years ago, only months before the launch of the Belt and Road Initiative, at a time when a sense of optimism prevailed.

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

The events of 2025 have translated these words into a stark reality. A focus on prioritizing Chinese interests, the logic of systemic confrontation with so-called capitalist powers, and the perceived superiority of China's development model have been the undercurrents of most developments since 2013. The ongoing trade war has brought these notions to the forefront. Facing a sustained and presumably long-term confrontation with the United States, the Party-state has taken further steps to protect China's national interest through the securitization of its economy, an extensive purge within the military, and the enforcement of ideological conformity among national and local-level legislators and grassroots-level governance organs.

The most important vehicle for this shift was the 15th Five-Year Plan. Drafted in just two years, a time shorter than the standard three-year cycle, the Plan was approved at the Fourth Plenary Session in October 2025. Under a new doctrine positing that security is no longer a sectoral concern, but the fundamental prerequisite for all economic activity, the Plan prioritized resilience and technological self-reliance over raw GDP targets. To avert a systemic crisis, a forceful restructuring of the real estate sector commenced, moving away from a high-leverage, market-driven model towards a State-supervised and service-oriented framework. Simultaneously, the leadership has moved to curb destructive price wars among domestic firms, demanding that market gains be achieved through genuine innovation.

The drive for national preparedness was coupled with a radical purge of the military. In what appears to be the most extensive reshuffling since the Mao era, nine senior Generals were removed for deficits in political loyalty. This purge, occurring just before the Fourth Plenum, left a leaner core at the helm of the military. In theory, this ensures that the People's Liberation Army remains a reliable instrument of the Party during a potential Taiwan contingency or sustained maritime frictions. However, in the oblique fashion typical of Chinese political communication, the removal of the nine Generals was followed by the purposeful online leak of a six-hour video detailing the martial court trial of General Xu Qinxian. General Xu was dismissed in 1989 for perceived political disloyalty, after refusing to lead his troops into Tian'anmen Square [Hawkins 2025, 24 December].

Legislation further bolstered these political trends. The National People's Congress enacted or amended 16 legislative texts focused on reducing dependence on foreign technology and enhancing China's lawfare capabilities. The revised *Foreign Trade Law* introduced aggressive extraterritorial jurisdiction, allowing China to regulate the circulation of products containing Chinese components or technologies, even when manufactured abroad. It also provided a framework to penalize foreign firms that comply with international sanctions against Chinese entities.

To maintain social stability and reassure investors amidst geopolitical disruptions, the Party-state engaged in «expectation management» with extraordinary vigor. Pseudonymous articles in the *People's Daily*, often also disseminated globally, offered a triumphalist narrative, framing China as

an exception to global economic instability. Amendments to legislation on national and local people's congress delegates have codified the requirement for legislators to implement «whole-process people's democracy» and embrace the «consciousness of the Chinese nation as a community». These reforms have effectively eroded the distinction between legislative organs and the Party apparatus, demanding a level of ethno-nationalist conformity and ideological alignment unseen in decades. By early 2026, the People's Republic of China has emerged as a state ready to navigate the ongoing global geopolitical conflict.

2. *Party and politics in 2025*

In 2025, the Chinese Communist Party took decisive actions to further insulate the country from external shocks. This transition was most clearly evidenced by the swift drafting of the 15th Five-Year Plan, which was completed in less than two years, a timeline shorter than the traditional three-year cycle. The Draft Plan was approved at Fourth Plenary Session in October 2025, with the Party leadership prioritizing timely decision-making over established protocol, signaling to global markets that China is rapidly bracing for a sustained long-term confrontation. At the heart of such accelerated planning is a new doctrine envisaging the total securitization of the economy. Under Xi Jinping's vision, security has been elevated to a fundamental prerequisite for all economic activity. This shift was mirrored during the 2025 Two Sessions, where the Government work report, besides discussing growth targets, also emphasized the safeguarding of such life-blood resources as water, food and energy. Infrastructure projects such as the South-to-North Water Transfer and the Motuo Hydropower Station, are now viewed as critical assets. This posture was tightly coupled with a radical consolidation of power over the military. An unprecedented purge involved the removal of the Central Military Commission's Vice Chairman and eight other Generals, underscoring a drive for absolute political loyalty. As military spending continued to outpace GDP growth, the simultaneous restructuring of the real estate sector and the push for technological self-reliance reveal that the entire governance system is undergoing a rapid recalibration. These actions suggest that the leadership views the current geopolitical crisis not as a temporary phenomenon, but as a longer-term trend that calls for a state of preparedness.

2.1. *The Fourth Plenary Session of the 20th Central Committee and the Five-Year Plan*

The Fourth Plenary Session of the 20th Central Committee of the Chinese Communist Party was held in Beijing from 20 to 23 October 2025. The primary agenda item was the approval of the Draft 15th Five-Year Plan. Fur-

thermore, the meeting resolved to accelerate the transition towards technological self-reliance, and defined security as fundamental prerequisite for economic development.

Historical data indicates that since 1989, economic growth strategies and targets have typically been discussed during the fifth plenary session of the Central Committee [Zhongguo Gongchandang 2025]. While the decision to discuss the Draft 15th Five-Year Plan at the fourth plenum deviates from established practice, it remains entirely logical. The 15th Five-Year Plan will have to be approved by the National People's Congress (NPC) in March 2026. Had the Party adhered to tradition, a fifth plenum would have been necessary between November 2025 and the Lunar New Year. Hosting both a fourth and fifth plenum in such rapid succession would have defied the expectations of analysts and market players, potentially fueling doubts and speculation regarding China's ability to sustain the trade war. Alternatively, the hypothetical choice to discuss the Draft Five-Year Plan at the fifth plenum, to be held in 2026, would have caused a delay in the Plan's approval, with even worse consequences. Anticipating the discussion of economic planning at the fourth plenum has contributed to fostering certainties about the resilience of China's economy.

Although drafting each five-year plan requires on average three years, the Draft 15th Five-Year Plan was completed in less than two years. Research on the Plan commenced in December 2023, while China was still recovering from the social and economic impact of COVID-19 [*Xinhua* 2024, 11 August]. Consultations with provinces and municipalities began in the spring of 2025, amidst slowing domestic demand, a drop in real sales value, deflationary pressures and continuous escalations in the trade war. On 30 July, the Politburo met to discuss the key contents of the plan.

During this meeting, the Politburo reinstated the main themes discussed at the December 2024 Central Economic Work Conference (CEWC), emphasizing the need to sustain internal demand, and manage systemic risks in real estate, the financial system, and foreign investment. The Politburo also reaffirmed a more proactive fiscal policy and a moderately loose monetary policy [*Xinhua* 2025, 30 July]. The most significant novelty was the integration of these measures into a broader ideological framework centered on security (*anquan*安全). As stated by Xi Jinping, who provided an unprecedented commentary on the Draft Plan, «security is the prerequisite of development, and development is the guarantee of security» [Xi 2025, 28 October].

The Five-Year Plan adopted in 2021 presented security as one of the many aspects of the national development strategy [National Development and Reform Commission 2021]. By contrast, the current Draft Plan elevates security to a cornerstone of economic and social governance, aiming to improve resilience (*renxing* 韧性) of the economic system and Chinese society. Goals such as technological innovation and industrial upgrading should be

understood against this backdrop. Innovation is now viewed as essential for achieving autonomy in emerging technologies, enabling the People's Republic of China to withstand the long-term confrontation with the United States and the European Union's derisking strategy. Xi Jinping's vision of security as the prerequisite of economic development requires, however, a strong and steady domestic demand and a unified national market.

To support this vision, the Draft Plan outlines measures to improve wealth redistribution, expand the middle class, guarantee better access to employment opportunities, and redesign the real estate sector. The real estate sector has this far been regarded as the safest investment of households' wealth, and as an important engine of China's economic growth. The Five-Year Plan has placed this sector under the state's wing, prioritizing government-subsidized housing and urban renewal. The longer-term objective is transforming profit-driven real estate developers into service providers. The restructuring of the real estate sector should gradually reduce its contribution to the GDP. More wealth should be created by higher technology sectors such as the electric vehicle, battery and photovoltaic industries. The development of cutting-edge technologies and sectors must be sustained by a national unified market characterized by stable rules on entry, competition and property rights. Local governments play a pivotal role in favoring investment in high-tech; however, they should transition to relying on property and consumption-related taxes, rather than funding infrastructure and service provisions through land sales. The vision articulated by the Draft Plan does not exclude foreign trade and investment. On the contrary, the doors of trade and investment remain open, particularly in those fields and industries where China possesses strong competitive advantages over the United States and European Union countries [National Development and Reform Commission 2025; CCP Members' Network 2025a, 23 October].

2.2. *The two sessions: Bracing against global shocks*

The annual sessions of the National People's Congress and the Chinese People's Political Consultative Conference were held in Beijing in early March, 2025. Global commentaries on the Two Sessions maintained their customary focus on political signaling, analyzing annual growth targets, recent economic reform measures, and the expansion of high-tech sectors [Kam 2025, 18 March; Lubin 2025; Noubel, Remžová and Chu 2025]. In delivering the government work report, however, Premier Li Qiang also mentioned objectives regarding water conservation, food security and energy security [Zhongguo Zhengfuwang 2024, 5 March]. The measures adopted in each one of these areas remain closely aligned with the goals established in 2024.

National water consumption reportedly stabilized below 610 billion cubic meters, while 17 billion cubic meters of water were reclaimed. Furthermore, a water budget system was implemented in all provinces, while access to tap water was guaranteed in nearly all rural areas. The South-to-North

Water Transfer Project, launched in 2002 [CCP Members' Network 2021], received further impetus. Designed to divert water from the Yangtze River to Northern China, this massive multi-year infrastructure project has alleviated water shortages in cities such as Beijing. The capital's water supply now relies almost entirely on water diverted from the Southern provinces, a shift that has made possible the reversal of a long-standing groundwater crisis [SASAC 2025, 11 August]. In 2025, the project entered a crucial new phase, involving the diversion of water from the upstream section of the Yarlung Tsangbo River.

Regarding food self-sufficiency, the goal of maintaining a total arable land area of no less than 120 million hectares was reinstated. There is a clear intent to drive agricultural production through research in seed technology and advanced mechanization. Complementary measures include stabilizing grain prices to prevent social discontent and establishing national wholesale markets for agricultural production, to ensure basic commodities remain affordable. Furthermore, a strategic focus was placed on enhancing the emergency supply capabilities of local governments [National Development and Reform Commission 2025, 14 March].

Energy security remained a paramount priority, evidenced by the installation of new wind and solar power plants. China is, however, also a leader in the expansion of nuclear power [PRIS 2026], and in 2025, this strategic expansion advanced further with the approval of five new nuclear plant projects in Jiangsu, Zhejiang, Shandong, Guangdong and Guangxi. Concurrently, efforts to bolster energy reserves involved the prospecting of new oil and gas deposits [National Development and Reform Commission 2025, 14 March].

2.3. *The Central Conference on Work Related to the Periphery*

The Central Conference on Work Related to the Periphery warrants extensive analysis due to its significant implications for China's water, energy and supply chains security. Convened in Beijing in early April, the Conference marked only the second such meeting held since 1949. The first meeting occurred in 2013, coinciding with Xi Jinping's first mandate. While the 2013 meeting, chaired by the then premier Li Keqiang, focused on «periphery diplomacy» and trade [Xinhuawang 2013, 25 October], the nomenclature of the April 2025 meeting suggests a pivot towards securing China's vast land and sea borders.

The Conference re-launched the notion of Asian values (*yazhou jiazhiguan* – 亚洲价值观) and a new Asian security model [*Renmin Ribao* 2025, 9 April]. It remains premature to determine whether this model will build upon the dual-use elements of the Belt and Road Initiative, existing regional security mechanisms or a hybridization of the two. After the Conference, however, a muscular response to ongoing trade tensions came through the announcement of launching China's Global Security Initiative [*quanqiu anquan changyi* 全球安全倡议] [SCIO 2025, 13 May].

In August, following the Conference, Xi Jinping led a high-level delegation to Lhasa to commemorate the 60th anniversary of the Tibet Autonomous Region (TAR). The delegation included five of the seven current Politburo members, alongside military and security officials. While Xi Jinping previously visited the TAR in 2021 [Woo 2025, 21 August] the presence of the majority of the Politburo was unprecedented. This visit should be viewed through the lens of national security rather than a mere response to the 6.8-magnitude earthquake that occurred in January 2025 [*Renminwang* 2025, 20 January], the Dalai Lama's announcement of his reincarnation outside of China [Dalai Lama 2025] or the tactical calm in Sino-Indian relations. Crucially, the Motuo Hydropower Station project was approved in December 2024. This project enables China to divert the upstream waters of the Yarlung Tsangbo River, which feeds the Siang, Brahmaputra and Jamuna Rivers. In July 2025, the China Yajiang Group, the SOE responsible for the project, was established, receiving official praise as a vital asset to China's national and energy security [*Renminwang* 2025, 19 July].

The nexus between development and security was further reinforced during Xi Jinping's visit to Xinjiang for the region's 70th anniversary. Xi Jinping described Xinjiang not as a remote borderland, but as a primary hub for the Belt and Road Initiative and a linchpin for the dual circulation strategy [*Xinhua* 2025, 24 September]. As a natural logistical pivot for Eurasia, Xinjiang's rich energy and mineral reserves can mitigate the impact of external tariffs by ensuring an «adequate, stable and sustainable supply of critical resources» [SCIO 2025, 12 May]. This strategy for Xinjiang was codified in the *CCP Guidelines for Governing Xinjiang in the New Era* [SCIO 2025, 20 September], the first document outlining a comprehensive governance strategy for the region.

Finally, on 3 September a military parade was held on Tian'anmen Square, to commemorate the 80th anniversary of the end of the Sino-Japanese War. While such parades have occurred previously, the scale and media coverage were without precedent. In the mid-1990s and as recently as 2015, the leadership utilized this event to project messages of peace, justice and global prosperity [Xi 2015, 3 September]. In contrast, Xi's 2025 address was unequivocal in its assertion of the country's combat readiness and resolve to defend its borders. Accompanying press reports stated that the Chinese nation does not fear violence [Xi Jinping 2025, 3 September]. This messaging coincided with the publication of the fourth volume of Xi Jinping's pronouncements on military affairs and with momentous changes within the army.

2.4. *Restructuring the PLA command hierarchy*

As preparedness was being signaled through various channels, one of the most extensive purges since the Mao era unfolded within the PLA, reveal-

ing deep-seated and perhaps long-standing tensions between the Party's political imperatives and the military's emerging autonomy. China's civil-military-industrial complex has been the focus of an intense investigation since 2023. The scale of this ostensible anti-corruption campaign suggests an effort to counter an earlier trend that prioritized technical expertise and independence in procurement over centralized Party leadership. Following the downfall of six high-ranking officers in 2024, the campaign reached a climax in 2025 with a restructuring of the command hierarchy.

On 17 October, just three days before the Fourth Plenum convened, the National Defence Ministry announced that nine senior officers had been placed under investigation and expelled from the Party. The disgraced officers were He Weidong, Miao Hua, and other officers serving at the Rocket Force, the Eastern Theatre Command, and the PLA Political Department [Guofangbuwang 2025, 17 October]. Notably, He Weidong's removal as Central Military Commission Vice Chairman – the first such purge since 1967 – suggests that, despite He's status as a Xi Jinping loyalist, the military's patronage networks and interest groups may have been viewed as a threat to absolute command [Zi 2025, 21 July]. Furthermore, the hollowing out of the Rocket Force with the removal of Miao Hua and the targeting of the Eastern Theatre Command through the dismissal of General Lin Xiangdong point to frictions over strategic timelines regarding Taiwan. By purging those responsible for the logistic of a potential invasion, the Party may be reacting to skepticism regarding the PLA's readiness to meet the 2027 modernization goals, and to the development of partly autonomous views regarding military procurement, research and development.

Consequently, by the end of 2025 the Central Military Commission had been reduced to just one member, General Liu Zhenli, one deputy chairman and Xi Jinping [CCP Members' Network 2025b, 23 October]. This signifies a total replacement of the leadership responsible for coordinating a potential Taiwan campaign and operations in the South China Sea. The purge suggests that the Party may view the politicization of command structures as more relevant to national security than the limited autonomy of the army [MacDonald and Simpson 2025; Wuthnow 2025].

Against this backdrop of internal volatility, the country's military spending increased by 7.2% for the second consecutive year [*Lianhe Zaobao* 2025, 5 March], outstripping the official GDP growth rate. Funding is, however, paired with an intensified oversight, as the Party seeks to ensure that the deep integration of private tech firms within the military-industrial complex does not result in the creation of centers of organizational or even political autonomy.

3. *The economy*

Any discussion of current trends in China's economy must acknowledge that while the quality of the most important macroeconomic data has improved [Lardy and Huang 2025], hundreds of data series have been discontinued or released inconsistently in recent years [Gatley and Cui 2019]. Notable examples include data on bank lending, land sales, foreign investment and youth unemployment. Furthermore, the accuracy of GDP growth figures and the sustainability of domestic consumption were questioned by prominent Chinese economists Gao Shanwen and Fu Peng, both of whom were quickly silenced [*Reuters* 2024, 6 December; *China Digital Times* 2024, 6 December].[1] This suggests that official figures should be approached with critical scrutiny.

The CEWC, held in December 2024, offered a sobering assessment of the national economy, adopting measures largely reminiscent of the previous year. While the focus in late 2024 remained on economic recovery, by the spring of 2025 the imperative had decisively shifted towards maintaining stability. In December 2024 the CEWC noted that domestic demand remained insufficient and called for the promotion of domestic consumption, supported by a proactive fiscal policy and a moderately loose monetary policy. However, after tariffs on the People's Republic of China reached a staggering 145% in April, a Politburo meeting was convened to discuss emergency plans to stabilise employment, enterprises, markets and – crucially – expectations [*Renminwang* 2025, 26 April]. Despite these pressures the April Politburo meeting did not mark a significant departure from the measures agreed upon in December. Domestic consumption and high-tech industries remained the primary engines of growth, while local government finances and the real estate sector were identified as the two key areas requiring careful risk management. This consensus was reaffirmed during deliberations in July and in September regarding the 15th Five-Year Plan [*Renmin Ribao* 2025, 30 September]. Meanwhile, official figures suggested that GDP growth targets were met despite the escalating tariffs. The National Bureau of Statistics reported 5.4% growth in the first quarter, 5.3% growth in the second quarter, a deceleration to 4.8% in the third quarter, and to 4.5% in the fourth quarter. [National Bureau of Statistics of China 2025, 17

1. A former central bank official, Gao Shanwen was the chief economist at SDIC Securities, the largest state-owned investment holding company in China. Fu Peng was the chief economist at Northeast Securities. Speaking in December 2024 at the Peterson Institute for International economics, Gao stated his belief that China's real GDP growth is closer to 2% than to the official figure of about 5%. Fu Peng questioned whether the rise of domestic consumption is sustainable, given it has been driven by real estate speculation more than by a rise in incomes.

April; National Bureau of Statistics of China 2025, 16 July; National Bureau of Statistics of China 2025, 21 October; National Bureau of Statistics of China 2026, 20 January].

In early December 2025, the Politburo met to define economic priorities for 2026. The typically terse communiqué confirmed that the country had embarked on a long-term strategy to achieve self-sufficiency and address deep structural imbalances. In a departure from earlier and more neutral vocabulary, international trade and the global economy were described as being in a state of «conflict» (*douzheng* 斗争) [*Xinhuawang* 2025, 8 December]. The response to this conflict and other hybrid threats introduced new elements, specifically the promotion of optimistic narratives on China's ultimate success, and efforts to curb so-called «involutionary competition», particularly within high-tech sectors. To arrest the free fall of the real estate market, a transition to a state-supervised and service-oriented model was envisaged and formally planned.

3.1. *Managing expectations*

«Managing expectations» (*yuqi guanli* 预期管理) is a governance mechanism employed to align social sentiment and the outlook of market participants with the strategic goals of the Party. While primarily used to mitigate economic volatility, this mechanism serves broader political ends. The channels for managing expectations are diverse and include the dissemination of narratives that spread positive energy by displaying current and future successes, while downplaying challenges as merely temporary, minor hurdles. In 2025 this mechanism was extraordinarily active, suggesting how the leadership felt a pressing need to counteract waning confidence in the national economy. The main narrative tropes were publicized immediately after the imposition of tariffs [Bown 2025, 31 December] and the Politburo's revision of the Draft Five-Year Plan.

In February, the *People's Daily* launched a column, dedicated to answering queries about the economy, in a move without precedent in the New Era. This was followed during the Lunar New Year Festivities by a five-part series entitled «This is how China's economy will do it in 2025». Adopting a triumphalist tone, these anonymous articles contended that the world's largest market would create new space for development. Key talking points included the assertion that technological innovation would transform the country into a global powerhouse; that synergy with the private sector was injecting new vital force in the economic system. Furthermore, the series argued that China would stabilize the global economy, pioneer a new development model for real estate, and bring renewed wealth to rural areas [*Renmin Ribao* 2025, 5 February; 7 February; 9 February; 15 February; 16 February].

In the weeks preceding the Fourth Plenum, another eight-part series appeared in the *People's Daily*, published under pseudonyms representing the Central Propaganda Department and the Central Financial and

Economic Affairs Commission. The series claimed that China remains an exception to the global economic recession, arguing that one-Party rule ensures stability and prosperity. It posited that pessimists are mistaken because economic transformation naturally proceeds at varying speeds. Consequently, the restructuring of China's economy would ultimately provide unprecedented opportunities to the entire world. China was framed as a stabilizing force and a model of inclusive development destined to reform and improve global economic governance. For these reasons, the series concluded, the global community should understand and trust China [Zhong Caiwen 2025, 30 September; 1 October; 2 October; 3 October; 4 October; 5 October; 6 October; 7 October].

These talking points were amplified by the English-language Chinese press and, to a certain degree, by some international commentators. While these optimistic narratives were being broadcast, domestic policymakers were voicing growing concerns regarding «involutionary competition».

3.2. *Involutionary competition*

«Involutionary competition» (*neijuanshi jingzheng* 内卷式竞争) describes a form of competition based on aggressive price-cutting, dramatic production expansion, and predatory marketing strategies. Under this model, cost reductions are achieved by imposing lower prices on suppliers, utilizing inferior materials and often accepting razor-thin profit margins. This phenomenon is not restricted to enterprises. It deeply involves local governments which, in their bid to attract investments in emerging industries, often manipulate policies on taxation, subsidies and land use. To protect local enterprises, local governments often establish protectionist barriers, thereby undermining market competition [Ju Li 2025].[2] This intense competition has fueled the spectacular domestic and global expansion of the AI, electric vehicles, e-commerce and photovoltaic sectors. The leadership, however, increasingly views «involutionary competition» as inherently problematic. According to Xi Jinping's doctrine of high-quality development, cost reductions and market gains should be realized through genuine technological innovation rather than price wars. In the medium term, the erosion of profit margins and the use of cheaper materials and components may hamper the growth potential and viability of Chinese enterprises. Furthermore, the involvement of local governments in these dynamics poses significant obstacles to the creation of a unified national market. Favorable land-use policies for industrial expansion often conflict with the food security imperative, while tax incentives can leave cash-strapped governments in an even more precarious position, further destabilizing the real estate market.

2. The author of this article, which appeared on the Central Committee's magazine *Qiushi*, is clearly writing under a pseudonym, meaning «Huge Force».

The challenges posed by «involutionary competition» were addressed at the December 2024 CEWC, and subsequently debated by the Two Sessions, the State Council, the Central Financial and Economic Commission, and the Fourth Plenum. This topic also featured prominently in *People's Daily* editorials and in the Five-Year Plan [*Xinhua* 2025, 8 March; CCP Members' Network 2025a, 23 October]. The Party has now reached a consensus on the need to «comprehensively bring under control» (*zonghe zhili* 综合治理) this model of market competition. At the time of writing, and despite assertions that the existing regulatory framework is sufficient to curb the phenomenon, a well-defined operational strategy has yet to be fully articulated [*Zhengquan Shibao* 2026, 9 January].

3.3. *The real estate market*

The year 2025 opened with the arrest of Vanke's CEO Zhu Jiusheng, followed by the bail-out of the embattled property giant by Shenzhen Metro, a state-owned conglomerate active in the mass transportation and real estate industries. By August, Evergrande was delisted from the Hong Kong Stock Exchange [Ittimani 2025]. These events involving two major real estate companies can be interpreted as signaling a decisive resolve to address the protracted real estate crisis.

In the meantime, key market trends remained precarious throughout the year. Continuing declines in sales and falling prices were exacerbated by a growing polarization between Tier 1 cities and the rest of the country. New home sales slumped to their lowest level since before 2010. Total sales value contracted by 13%, while the total floor area sold dropped by 9%. A similar downturn was observed both in prices for new housing and the secondary market [Chen 2026, 8 January]. Concurrently, investment in real estate development fell by nearly 16% [National Bureau of Statistics of China 2025, 15 December]. Tier 1 cities remained the sole exception to this trend, with luxury property commanding rising prices, while Tier 2 and Tier 3 Prices suffered a sustained decline ['China's property watch' 2025, 9 October].

In response, the State adopted a forceful policy framework designed to induce a structural change within the real estate sector. The fundamental role of real estate developers is being recalibrated from profit-driven enterprises to service providers for the community. The sector's overall weight in China's GDP is intended to shrink, making way for a growth generated by higher technology investments. Under this new model, developers should prioritize the quality and environmental standards of housing over sheer quantity. To arrest the real estate market's freefall, a State-led absorption strategy has been implemented. Local governments are tasked with purchasing unsold inventory that will be repurposed as affordable housing. Local authorities will maintain some autonomy over the pricing and allocation of these assets. Furthermore, extensive renovation programmes in rural are-

as and urban villages should be launched to stimulate demand, though such large-scale initiatives inevitably carry the risk of a renewed speculation. To ensure that liquidity is directed only towards viable projects, a white list system will be adopted. The deployment of some of these tools, most notably the use of special local government bonds to acquire unsold stock, began in 2025, marking a departure from the spring of 2024, when the central government initially attempted to stimulate the market also by lowering down payments and mortgage rates.

4. *Key developments in law and the legal system*

In 2025 legislative work proceeded as envisaged by the 14th NPC Standing Committee Legislative Plan, alongside the annual legislative agendas of the NPC and the State Council [Wei 2025, 27 December; Quangguo Renda Changweihui 2023, 2025; Guowuyuan Bangongting 2025] By the end of the year, 16 legislative texts were enacted or amended. Consequently, 47 of the 79 pieces of legislation included in the NPC legislative plan came into effect well ahead of schedule. Legislation was designed to facilitate the expansion of high-tech sectors and reduce reliance on foreign technology, while incentivizing direct foreign investments in advanced industries and maintaining access to international markets. At the same time, amendments to the *Foreign Trade Law* integrated broad concepts of national security into the trade legal framework. These changes have enhanced the Party-state's capacity to assert control over global supply chains and provided mechanisms to penalize compliance with foreign sanctions.

Concurrently, amendments to *the Law on Delegates to the National People's Congress and Local People's Congresses* and to legislation on local governance codified two core concepts introduced by Xi Jinping, the notion of «whole-process people's democracy» and the «consciousness of the Chinese nation as a community». These reforms have effectively eroded the differentiation between legislative organs, grassroots-level administrative organs, and the Party. By doing so, reforms have elevated requirements for ideological conformity and ethno-nationalism to a new level.

4.1. *The revised Foreign Trade Law*

The *Foreign Trade Law*, originally enacted in 1994 and last amended in 2004, underwent further revision in December 2025 [Zhonghua Renmin Gongheguo Shangwubu 2025, 29 December]. Official reports suggest that this legislation «enriches and improves the legal toolbox for external conflict» [*Fazhi Ribao* 2025, 9 September] and enhances the foreign trade environment by «protecting the state's sovereignty, security and development interests» [*Xinhua* 2025, 8 September].

The *Foreign Trade Law* asserts jurisdiction over actions of foreign companies occurring outside China if those actions involve items of Chinese origins or compliance with international sanctions imposed on Chinese firms. For instance, if a product manufactured by an Italian firm in Italy contains a specific percentage of Chinese technology or components, China now claims the right to regulate the transfer or final sale of that product in Italy. Regarding sanctions, if an Italian company terminates its relations with a Chinese entity subjected to international sanctions, the Italian firm may be sanctioned in China for adopting discriminatory measures. Potential sanctions include the refusal of visa issuance, the freezing or seizure of assets held within China, and corporate blacklisting. These effects have been made possible because the *Foreign Trade Law* works in conjunction with recent regulations on export controls and with the *Anti-Foreign Sanctions Law*.

In April 2025, the Ministry of Commerce implemented export controls on seven rare earth metals and their compounds or alloys used in the military, renewable energy, semiconductor, aerospace and medical industries [Ministry of Commerce 2025, 4 April]. Consequently, items ranging from electric vehicle batteries to high-speed trains and PET scanners can only be traded internationally if the manufacturer holds a Chinese export license, provided those items contain the regulated alloys. Similarly, China can now control the global distribution of products manufactured outside of China that utilize Chinese-developed technology, such as specific algorithms. To avoid entities bypassing these regulations through subsidiaries or shell corporations, the Ministry of Commerce has extended sanctions to all entities controlled by companies already included on China's export control list. At the time of writing, export controls on Samarium, Gadolinium, Terbium, Dysprosium, Lutetium, Scandium and Yttrium remain in effect. Conversely, controls introduced on lithium batteries, diamonds and other raw materials were lifted in November 2025, though they may be reintroduced in 2026 [*China Daily* 2025, 8 November]. Meanwhile, in its annual work report the Supreme People's Court highlighted a typical case (*dianxing anli* 典型案例) in which a Chinese maritime engineering firm sued a European equipment supplier for alleged discriminatory measures [Zhang 2025, 8 March]. This serves as a significant signal to the international business community, and encourages Chinese firms to initiate similar legal actions, providing Chinese courts with a precedent for future rulings.

4.2. *The Law on Delegates to the National People's Congress and local people's congresses*

The reform of the National People's Congress apparatus, as mandated by the Third Plenum in 2024, commenced that same year by consolidating oversight procedures gradually adopted by the National and local people's

congresses. The year 2025 marked the formal codification of the obligation for delegates to follow several political principles. These include the requirement to obey the principle of democratic centralism and implement «whole-process people's democracy» (*quan guocheng renmin minzhu* 全过程人民民主). Other newly mandated duties include following the «core socialist values» and the «consciousness of the Chinese nation as a community» (*Zhonghua minzu gongtongti yishi* 中华民族共同意识), alongside a formal obligation to study and implement the political theory and policies of the Chinese Communist Party [*Xinhua* 2025, 12 March].

The *Law on Delegates* was enacted in 1992, the year in which Deng Xiaoping's vision for economic and also institutional reform was finally consolidated. Since its inception, the law has undergone three rounds of amendments, none of which previously sought to align delegates' legal duties so closely with Party ideology or nationalist value systems. While the Chinese Communist Party's leadership over legislative organs remains a fundamental principle of governance, not all legislators in China are Party members. Historically, approximately 30% of delegates to the National People's Congress have not been affiliated with the Party [*Renmin Ribao* 1999, 15 September; Quanguo Renmin Daibiao Dahui 2000]. Furthermore, about 14% of delegates belong to ethnic groups other than the Han [*Xinhuashe Weibo* 2023, 4 March; National Bureau of Statistics of China 2008]. The presence of these minority groups within central and local legislatures is significant. They are only indirectly elected, yet they symbolize the interests of citizens who may not feel represented by the Party. By incorporating the principle of democratic centralism into the *Law on Delegates*, a mechanism typical of the Party has effectively been imposed upon nearly one-third of legislators. Likewise, the requirement to follow the «core socialist values» and study the Party's political theory aim to ensure a level of ideological conformity unseen since the end of the Cultural Revolution.

The adoption of the «consciousness of the Chinese nation as a community» introduces an element of ethno-nationalism that was absent prior to the New Era. Since 1949 ethnic minorities policies have sought to avoid so-called Han chauvinism (*da hanzu zhuyi* 大汉族主义) [Xie 2013]. While the concept of «consciousness of the Chinese nation as a community» is presented as the antithesis of Han chauvinism, it rests upon the implicit assumption of Han cultural primacy. This policy of integration necessitates a belief in shared traditions, a shared culture, a common language and a unified history. These elements have historically been absent between the Han and such groups as the Uyghur and the Tibetans. Consequently, this shared identitarian framework could only be constructed by adopting the traditions, identity and history of the Han and presenting them as the best possible form of Chinese civilization and modernity. Community consciousness effectively requires minorities to embrace an identity modelled on Han

standards. This requirement now extends to all legislators, further stifling meaningful debate on ethnic policy.

Likewise, the addition of «whole-process people's democracy» to the *Law on Delegates* does not strengthen legislative organs by allowing substantive debates on the merits of legislation. The notion of «whole-process people's democracy» frames the governance of China as a process rooted in Chinese tradition that is superior to other models of governance. In practice, as it involves NPC delegates, this neo-traditionalist form of governance is characterized by the indirect election of legislators, the soliciting of public feedback on draft legislation and oversight mechanisms to ensure legislators' accountability. Rather than conveying societal concerns upward, legislators are now expected to primarily act as bridges through which the Party communicates its will to the citizenry.

4.3. *Legislation on local governance*

A further step towards implementing the goals set by the Third Plenum in 2024 was achieved with the updating of two laws on local governance: the *Organic Law on Urban Residents' Committees* and the *Organic Law on Villagers' Committees*. The latter was originally adopted in the early 1980s to codify the direct elections spontaneously initiated by two villages in Guangxi. This move was a reaction to the crisis that emerged in the aftermath of the Cultural Revolution, when the governance organs of the communes ceased to function [O'Brien and Li 2000, 465].

The revised legislation on urban residents' committees stresses the principle of Party leadership and codifies the concept of whole-process people's democracy. Residents' committees have now been explicitly placed under the leadership of basic-level Party organizations. Furthermore, these committees may be chaired by the local Party secretary, and their members can be elected from within local Party organizations. This shift effectively erases the divide that has existed since the introduction of grassroots direct elections, as committees are now duty-bound to embrace the same value system and implement the same vision as National People's Congress (NPC) delegates. The amendments provide further specifications regarding the electoral system. The pre-existing modalities for direct elections, conducted by residents, by a family head, or by residents' small groups, have been maintained, though with updated requirements concerning the quorum [Zhonggong Hangzhou Shiwei Shehuigongzuobu 2025, 28 October]. Similar provisions were introduced for village committees, albeit with notable differences. For instance, candidates for village committee elections must now register with local Party organizations, which have also been granted veto power over major decisions concerning local governance [Zhonggong Hangzhou Shiwei Shehuigongzuobu 2025b, 26 December].

5. *Conclusion*

When viewed in light of the developments of 2024, the events of 2025 signal the definitive conclusion of the reform and opening up era as we knew it, in favor of a period defined by the primacy of China's national interest, and a disciplined, State-led resilience. This transition does not imply that China will close its borders to foreign trade and foreign direct investment. However, despite official rhetoric, opening up is now primarily a tool to serve the domestic economy by favoring the transition towards growth driven by high-tech innovation. The undeniable and often generous benefits accrued by China's global economic partners have become a secondary consideration. Consequently, international engagement will continue, but only in ways and under conditions compatible with renewed imperatives of security and economic resilience.

It is telling that in 2025, security was elevated to the status of a fundamental prerequisite for all economic activity. The leadership is effectively preparing the nation to endure a protracted period of systemic confrontation with the United States and, potentially, certain European Union member states. Therefore, while the Party-state has projected triumphalist narratives of China's economic invincibility, the 15th Five-Year Plan was swiftly drafted, and restive peripheries were redefined as essential for water and supply-chain security. At the same time, a crisis in the real estate sector was averted through robust interventionist measures, and a consensus was reached on curbing cut-throat competition among domestic enterprises.

Of particular note are the multiple occasions on which China unequivocally signaled its preparedness. For years, the Party-governed media ecosystem avoided explicit mentions of international conflict, as well as oblique references to it through diverse and independent channels. This cautious approach was intended to avoid misinterpretation or misuse of information by international journalists and analysts. However, in 2025 this long-standing trend was reversed, and assertions that the Chinese nation does not fear violence were corroborated by the effort to launch a new regional security initiative. This shift should not be dismissed as mere posturing for the domestic public opinion or an attempt to stoke the flames of nationalist sentiment to distract the population from economic difficulties. The Party-state has clearly indicated its confidence in its capacity to sustain a long-term confrontation between systems inspired by differing ideologies and economic models. These statements have largely emerged in response to the hybrid confrontation generally referred to as a trade war. While much of the Xi Jinping era has been characterized by a quiet and steady expansion of China's political and economic influence, the American response has triggered a serious and calculated reaction from Beijing. Domestic political developments confirm that this response is no mere rhetorical flourish, but a profound structural shift.

Bibliography

Bown, Chad P., 2025, 31 December, 'Trump's trade war timeline 2.0: An up-to-date guide', *Peterson Institute for International Economics*.

CCP Members' Network, 2021, 6 December, '百年瞬间丨南水北调工程正式开工' (Moments in a Century. The South-to-North Water Diversion Projects Officially Starts) (https://www.12371.cn/2021/12/06/VIDE1638771481380124.shtml)

CCP Members' Network, 2025a, 23 October, '中共中央关于制定国民经济和社会发展第十五个五年规划的建议' (CCP Central Committee Proposal on Formulating the 15th Five-Year Plan on National Economic and Social Development) (https://www.12371.cn/2025/10/28/ARTI1761640401107119.shtml)

CCP Members' Network, 2025b, 23 October, '中国共产党第二十届中央领导机构' (Central Leading Institutions of the Chinese Communist Party's Twentieth Congress) (https://www.12371.cn/special/20zyldjg/)

Dalai Lama, 2025, 2 July, 'Statement Affirming the Continuation of the Institution of Dalai Lama' (https://www.dalailama.com/news/statement-affirming-the-continuation-of-the-institution-of-dalai-lama)

Chen, Bo, 2026, 8 January, 'China's Housing Slump Deepens as New-Home Sales Fall to Pre-2010 Levels', Caixin Global.

China Daily, 2025, 8 November, 'China suspends some rare earths, lithium battery export control measures'.

China Digital Times, 2024, 6 December, 'Frank Speeches by Economists Gao Shanwen, Fu Peng Result in Mass Online Censorship, WeChat Bans'.

'China's Property Watch: The Chilling Effects of Polarization', 2025, 9 October, *S&P Global*.

Fazhi Ribao, 2025, 9 September, '丰富完善对外斗争法律工具箱' (Enriching and Completing Foreign Conflict's Legal Toolbox) (http://epaper.legaldaily.com.cn/fzrb/content/20250909/Articel03004GN.htm)

Gatley, Thomas, & Ernan Cui, 2019, October 17, 'The Case of the Mysterious Vanishing Statistics', Gavekal Dragonomics.

Guofangbuwang, 2025, 17 October, '何卫东、苗华等9人严重违纪违法被开除党籍军籍' (He Weidong, Miao Hua and Nine Other expelled from the Party and from the Army due to violations of discipline and the law) (http://www.mod.gov.cn/gfbw/qwfb/16416031.html)

Guowuyuan Bangongting, 2025, '国务院办公厅关于印发《国务院2025年度立法工作计划》的通知' (Notice of the General Office of the State Council Issuing the State Council 2025 Plan for Legislative Work) (https://www.moj.gov.cn/pub/sfbgw/zwgkztzl/xxxcgcxjpfzsx/fzsxyw/202505/t20250516_519448.html)

Hawkins, Amy, 2025, 24 December, 'Rare footage from trial of Chinese general who defied Tiananmen crackdown order leaked online', *The Guardian*.

Ittimani, Luca, 2025, 25 August, 'Evergrande: China's property giant delisted from Hong Kong stock exchange', *The Guardian*.

Ju Li, 2025, 1 July, '深刻认识和综合整治"内卷式"竞争' (Deeply Understanding and Comprehensively Bringing Under Control Involutionary Competition), *Qiushi*.

Kam, Stefanie, 2025, 18 March, 'China's 2 Sessions: Slow Growth Collides With Tech Supremacy', *The Diplomat*.

Lardy, Nicholas R., & Tianlei Huang, 2025, 10 March, 'China's major economic data continue to improve', RealTime Economics (Peterson Institute for International Economics).

Lianhe Zaobao, 2025, 5 March, '中国今年军费预算增7.2% 分析：表明推进军事现代化决心' (China's military budget increased by 7.2% this year. A suggestion of the country's determination to advance military modernisation) (https://www.zaobao.com.sg/news/china/story20250305-5971548)

Lubin, David, 2025, 12 March, 'China's 'two sessions': What did we learn about the Chinese economy?', *Chatham House*.

MacDonald, Adam P., & Kurtis H. Simpson, 2025, December, China, the PLA and Xi's Ongoing Purges: The Corruption Conundrum, CIGI Paper No. 344.

Ministry of Commerce, 2025, 4 April, 'Announcement No.18 of 2025 of The Ministry of Commerce and The General Administration of Customs of The People's Republic of China Announcing the decision to implement export control on some medium and heavy rare earth related items' (https://english.mofcom.gov.cn/Policies/AnnouncementsOrders/art/2025/art_0dd87cbee7b045bf93fabe6ab2faceee.html)

National Bureau of Statistics of China, 2008, '历届全国人民代表大会代表人数' (Number of Deputies to the National People's Congress) (https://www.stats.gov.cn/zt_18555/ztsj/hstjnj/sh2008/202303/t20230303_1926424.html)

National Bureau of Statistics of China, 2025, 17 April, '2025年一季度国内生产总值初步核算结果' (Preliminary accounting results for the domestic GDP in Q1 2025), (https://www.stats.gov.cn/sj/zxfb/202504/t20250417_1959334.html)

National Bureau of Statistics of China, 2025, 16 July, '2025年二季度和上半年国内生产总值初步核算结果' (Preliminary accounting results for the domestic GDP in Q2 2025), (https://www.stats.gov.cn/sj/zxfb/202507/t20250716_1960426.html)

National Bureau of Statistics of China, 2025, 21 October, '2025年三季度国内生产总值初步核算结果' (Preliminary accounting results for the domestic GDP in Q3 2025), (https://www.stats.gov.cn/sj/zxfbhjd/202510/t20251021_1961646.html)

National Bureau of Statistics of China, 2025, 15 December, '2025年1—11月份全国房地产市场基本情况' (The Basic Situation of the National Real Estate Market. January – November 2025) (https://www.stats.gov.cn/sj/zxfb/202512/t20251215_1962072.html)

National Bureau of Statistics of China, 2026, 20 January, '2025年四季度和全年国内生产总值初步核算结果' (Preliminary accounting results for the domestic GDP in Q4 2025) (https://www.stats.gov.cn/sj/zxfb/202601/t20260120_1962349.html)

National Development and Reform Commission, 2021, '中华人民共和国国民经济和社会发展第十四个五年.（2021—2025 年）规划和2035 年远景目标纲要' (Outline of the 14th Five-Year Plan on National Economic and Social Development of the People's Republic of China and the Long Term Goals for the Year 2035) (https://www.ndrc.gov.cn/xxgk/zcfb/ghwb/202103/P020210313315693279320.pdf)

National Development and Reform Commission, 2025, 14 March, '关于2024年国民经济和社会发展计划执行情况与2025年国民经济和社会发展计划草案的报告' (Report on the Implementation of the 2025 National Economic and Social Development Plan and the Draft 2025 National Economic and Social Development Plan) (https://www.ndrc.gov.cn/fggz/202503/t20250314_1396569.html)

Noubel, Filip, Dominika Remžová & Yang Chu, 2025, 'Two Sessions: China's Foreign, Economic and Social Policy Priorities for 2025', *CHOICE*.

O'Brien, Kevin J., & Lianjiang Li, 2000, 'Accommodating "Democracy" in a One-Party State: Introducing Village Elections in China', *The China Quarterly*, 162, pp. 465-489.

PRIS, 2026, 'China, People's Republic of" (https://pris.iaea.org/PRIS/CountryStatistics/CountryDetails.aspx?current=CN)

Quangguo Renda Changweihui, 2023, '十四届全国人大常委会立法规划' (14th Legislative Plan of the Standing Committee of the National People's Congress), *Quangguo Renmin Daibiao Dahui Changwu Weiyuanhui* Gongbao, 6, pp. 730-734.

Quangguo Renda Changweihui, 2025, '全国人大常委会2025年立法工作计划' (2025 Legislative Work Plan of the Standing Committee of the National People's Congress), *Quangguo Renmin Daibiao Dahui Changwu Weiyuanhui* Gongbao, 3, pp. 420-424.

Quanguo Renmin Daibiao Dahui, 2020, '全国人大代表都是党政干部吗？' (National People's Congress Delegates are all Party-state cadres?) (http://www.npc.gov.cn/zgrdw/npc/rdgl/rdzd/2000-11/30/content_8643.htm)

Renminwang, 2025, 20 January, '西藏终止地震一级应急响应' (Level 1 Emergency Response Ends in Tibet) (http://society.people.com.cn/n1/2025/0120/c1008-40404963.html)

Renminwang, 2025, 26 April, '中共中央政治局召开会议分析研究当前经济形势和经济工作' (Politburo Convenes Meeting to Analyse the Current Economic Situation and Economic Work) (http://politics.people.com.cn/n1/2025/0426/c1024-40468525.html)

Renminwang, 2025, 7 July, '中国雅江集团有限公司成立大会举行' (Founding Ceremony of the China Yajiang Group Limited Held) (https://cpc.people.com.cn/n1/2025/0720/c64094-40525551.html)

Renmin Ribao, 1999, 15 September, '历届全国人民代表大会代表构成统计表' (Historical Statistical Table of the Composition of Deputies to the National People's Congress), p. 10.

Renmin Ribao, 2025, 5 February, '全方位扩大国内需求——二〇二五年，中国经济这么干①', (Expand all aspects of domestic demand. This is how the Chinese economy will do it in 2025. 1) (https://www.mee.gov.cn/zcwj/zclcfh/202502/t20250205_1101713.shtml).

Renmin Ribao, 2025, 7 February, '以科技创新引领新质生产力发展——2025年，中国经济这么干②', (Leading the development of new quality productive forces through technological innovation. This is how the Chinese economy will do it in 2025. 2) (http://paper.people.com.cn/rmrb/pc/content/202502/07/content_30055149.html), p. 1.

Renmin Ribao, 2025, 9 February, '推动标志性改革举措落地见效——二〇二五年，中国经济这么干③', (Promoting landmark reform measures that produce the intended effects when implemented. This is how the Chinese economy will do it in 2025. 3) (http://paper.people.com.cn/rmrb/pc/content/202502/09/content_30055513.html)

Renmin Ribao, 2025, 15 February, '扩大高水平对外开放——二〇二五年，中国经济这么干④', (Expanding high-level opening-up to the outside. This is how the Chinese economy will do it in 2025. 4) (http://paper.people.com.cn/rmrb/pc/content/202502/15/content_30056775.html).

Renmin Ribao, 2025, 16 February, '有效防范化解重点领域风险 ——二〇二五年，中国经济这么干⑤' (Effectively prevent and resolve risks in major areas. This is how the Chinese economy will do it in 2025.5) (http://cpc.people.com.cn/n1/2025/0216/c64387-40419306.html), p. 1.

Renmin Ribao, 2025, 9 April, '中央周边工作会议在北京举行 习近平发表重要讲话' (Central Conference on Work Related to the Periphery Held in Beijing.

Xi Jinping Delivers and Important Speech) (http://politics.people.com.cn/n1/2025/0409/c1024-40456434.html)

Renmin Ribao, 2025, 30 September, '中共中央政治局召开会议 决定召开二十届四中全会 分析研究当前经济形势和经济工作' (Central Committee Politburo Convenes Meeting. Decides to Convene the Fourth Plenum of the 20th Central Committee. Analyses the Current Economic Situation and Economic Work), p. 1.

Reuters, 2024, 6 December, 'Two critical online views on China's economy vanish ahead of policy meeting'.

SASAC, 2025, 11 August, 'South-to-North Water Diversion Project Drives Green Transformation' (http://en.sasac.gov.cn/2025/08/11/c_19634.htm)

SCIO, 2025, 12 May, '新时代的中国国家安全' (China's State Security in the New Era) (http://www.scio.gov.cn/zfbps/zfbps_2279/202505/t20250512_894771.html)

SCIO, 2025, 13 May, 'Abstract of white paper on China's national security in new era' (http://english.scio.gov.cn/whitepapers/2025-05/13/content_117871660.html)

SCIO, 2025, 20 September, 'CPC Guidelines for Governing Xinjiang in the New Era: Practice and Achievements' (https://english.www.gov.cn/archive/whitepaper/202509/20/content_WS68ce5b30c6d00fa19f7a2960.html)

Wei, Changhao, 2025, 27 December, 'The NPC in 2025', *NPC Observer.*

Woo, Ryan, 2025, 21 August, 'China's Xi makes second-ever visit to Tibet as president', *Reuters*.

Wuthnow, Joel, 2025, 'A New Step in China's Military Reform', *Joint Force Quarterly*, 117 (https://ndupress.ndu.edu/Media/News/News-Article-View/Article/4157257/a-new-step-in-chinas-military-reform/).

Xi, Jinping, (习近平) 2013, 5 January, '关于坚持和发展中国特色社会主义的几个问题', (Some questions in upholding and developing socialism with Chinese characteristics), *Xi Jinping xilie zhongyao jianghua shujuku*, (https://jhsjk.people.cn/article/31005184)

Xi, Jinping, (习近平) 2015, 3 September, '抗战胜利70周年纪念大会 习近平发表重要讲话（全文）' (Xi Jinping delivers important speech at the commemoration of the 70th anniversary of the victory in the War of Resistance against Japan (full text)) (http://politics.people.com.cn/n/2015/0903/c1001-27543265.html)

Xi, Jinping, (习近平), 2025, 3 September, '在纪念中国人民抗日战争暨世界反法西斯战争胜利80周年大会上的讲话' (Speech at the Commemoration of the 80th Anniversary of the Victory of the Chinese People's War of Resistance Against Japanese Aggression and the World Anti-Fascist War) (https://www.mfa.gov.cn/zyxw/202509/t20250903_11701068.shtml)

Xi, Jinping, (习近平), 2025, 28 October, '关于《中共中央关于制定国民经济和社会发展第十五个五年规划的建议》的说明' (Explanation of the Proposals of the Central Committee of the Chinese Communist Party on drafting the 15th Five-Year Plan on National Economic and Social Development) (http://politics.people.com.cn/n1/2025/1028/c1001-40591521.html)

Xie, Yuanxue, (谢远学), 2013, '新时期人民内部矛盾问题及其对策' (Countermeasures to the Problem of Contradictions Among the People in the New Period), *Renmin Luntan*, 14, pp. 58-61.

Xinhua. 2024, 25 December, '雅鲁藏布江下游水电工程已获核准' (Hydropower Project on the Lower Reach of the Yarlung Tsangbo River Approved) (https://www.news.cn/politics/20241225/b61f14cad5c046a0a209bf36fa99d69b/c.html)

Xinhua, 2025, 8 March, '«内卷式»竞争如何破局？' (How to break the deadlock of involutionary competition?' (https://www.news.cn/politics/20250308/1f0dd45eb06a4e9593feff245dfb7b02/c.html)

Xinhua, 2025, 24 September, '习近平：完整准确全面贯彻新时代党的治疆方略 努力建设团结和谐、繁荣富裕、文明进步、安居乐业、生态良好的社会主义现代化新疆' (Xi Jinping: Fully, accurately, and comprehensively implement the Party's strategy for governing Xinjiang in the new era, and strive to build a united, harmonious, prosperous, civilized, peaceful, and ecologically sound socialist modern Xinjiang.) (https://www.news.cn/politics/leaders/20250924/05ed7ae833384fbf8482fcf06086a044/c.html)

Xinhuawang, 2013, 25 October, '习近平在周边外交工作座谈会上发表重要讲话' (Xi Jinping's Delivers an Important Speech at the Central Conference on Periphery Diplomacy) (https://www.xinhuanet.com//politics/2013-10/25/c_117878897.htm)

Xinhuawang, 2025, 8 December, '中共中央政治局召开会议 分析研究2026年经济工作 审议《中国共产党领导全面依法治国工作条例》' (The Politburo of the Central Committee Convenes to Analyse and Research Economic Work for 2026 and Examine the "Chinese Communist Party Regulations on Comprehensively Governing the Country According to the Law") (https://www.xinhuanet.com/politics/leaders/20251208/1598066847334c83a1e8bd1e40064eab/c.html)

Xinhua, 2024, 11 August, '经济随笔丨怎样谋划"十五五"?' (Musing about the economy. How is the 15th Five-Year Plan planned?) (http://news.china.com.cn/2024-08/11/content_117361315.shtml)

Xinhua, 2024, 12 December, '中央经济工作会议在北京举行 习近平发表重要讲话' (Central Economic Work Conference held in Beijing. Xi Jinping delivers an important speech)(https://www.news.cn/politics/leaders/20241212/f47e778630ec4ff6b51c99d55cef6f43/c.html)

Xinhua, 2025, 12 March, '中华人民共和国全国人民代表大会和地方各级人民代表大会代表法' (*Law of the People's Republic of China on Delegates to the National People's Congress and Local People's Congresses*) (https://www.news.cn/politics/20250312/44b4e84fa7bf4ace93cd9a4024221782/c.html)

Xinhua, 2025, 30 July, '中共中央政治局召开会议 决定召开二十届四中全会 分析研究当前经济形势和经济工作 中共中央总书记习近平主持会议' (CCP Politburo holds meeting. Decides to convene the Fourth Plenary Session of the 20th Central Committee. Analyses and studies the current economic situation and economic work. General Secretary Xi Jinping chairs the meeting) (https://www.news.cn/politics/leaders/20250730/e41e27baa42543969bb27e4f7187e848/c.html)

Xinhua, 2025, 8 September, '我国拟修改对外贸易法 将部分改革举措上升为法律制度' (Our Country Plans to Amend the Foreign Trade Law, Elevating Some Reform Measures to Legal Provisions) (https://www.news.cn/politics/20250908/ee15bacfc03745c8ae20844e327d70ae/c.html)

Xinhuashe Weibo, 2023, '人大代表中基层群众占有相当比例' (A considerable proportion of National People's Congress Delegates are from the grassroots) (https://www.news.cn/2023-03/04/c_1129412408.htm)

Zhang, Jun (张 军), 2025, 8 March, '最高人民法院工作报告（全文）' (Supreme People's Court Work Report (Full Text) (https://ipc.court.gov.cn/zh-cn/news/view-3999.html)

Zhengquan Shibao, 2026, '市场监管总局梳理整治"内卷式"竞争十大制度成果 将推动修改价格法' (State Administration for Market Regulations Compiles Ten Institutional Achievements in Governing "involutionary competition" and Promotes Amendments to the Price Law) (https://www.stcn.com/article/detail/3583685.html)

Zhong Caiwen, 2025, 30 September, '从全球视角看新时代中国经济的跨越与蝶变（习近平经济思想指引下的中国经济专论' (A Global Perspective on the Leap Forward and Transformation of China's Economy in the New Era [Special Commentary on China's Economy Directed by Xi Jinping's Economic Thought]), *Renmin Ribao*, (https://paper.people.com.cn/rmrb/pc/content/202509/30/content_30107738.html)

Zhong Caiwen, 2025, 1 October, '深刻认识中国经济长期稳定发展的内在逻辑（习近平经济思想指引下的中国经济专论' (A Deeper Understanding of the Inner Logic of China's Economy Long-Term Stability and Development [Special Commentary on China's Economy Directed by Xi Jinping's Economic Thought]), *Renmin Ribao*, (https://paper.people.com.cn/rmrb/pc/content/202510/01/content_30107871.html)

Zhong Caiwen, 2025, 2 October, '科学客观看待我国当前经济发展态势（习近平经济思想指引下的中国经济专论）' (A Scientific and Objective View of the Present Condition of China's Economy (Special Commentary on China's Economy Directed by Xi Jinping's Economic Thought)), *Renmin Ribao*, (https://paper.people.com.cn/rmrb/pc/content/202510/02/content_30107940.html)

Zhong Caiwen, 2025, 3 October, '中国经济转型升级蕴含重大机遇（习近平经济思想指引下的中国经济专论' (China's Economic Transformation and Upgrading Presents Significant Opportunities [Special Commentary on China's Economy Directed by Xi Jinping's Economic Thought]), *Renmin Ribao*, (https://paper.people.com.cn/rmrb/pc/content/202510/03/content_30107981.html)

Zhong Caiwen, 2025, 4 October, '全面认识把握中国经济高质量发展的确定性（习近平经济思想指引下的中国经济专论）' (Comprehensively Understanding and Mastering the Certainty of China's High-Quality Economic Development [Special Commentary on China's Economy Directed by Xi Jinping's Economic Thought]), *Renmin Ribao*, (https://paper.people.com.cn/rmrb/pc/content/202510/04/content_30108027.html)

Zhong Caiwen, 2025, 5 October, '中国是全球包容性发展的典范（习近平经济思想指引下的中国经济专论）' (China is a Model of Inclusive Development for the Entire World [Special Commentary on China's Economy Directed by Xi Jinping's Economic Thought]), *Renmin Ribao*, (https://paper.people.com.cn/rmrb/pc/content/202510/05/content_30108075.html)

Zhong Caiwen, 2025, 6 October, '中国经济发展具有开放共赢性（习近平经济思想指引下的中国经济专论）' (China's Economic Development is Open and Win-Win [Special Commentary on China's Economy Directed by Xi Jinping's Economic Thought]), *Renmin Ribao*, (https://opinion.people.com.cn/n1/2025/1006/c1003-40577077.html)

Zhong Caiwen, 2025, 7 October, '深入了解中国就会坚定相信中国（习近平经济思想指引下的中国经济专论' (Deeply Understanding China Means Firmly Trusting China [Special Commentary on China's Economy Directed by Xi Jinping's Economic Thought]), *Renmin Ribao*, (https://cpc.people.com.cn/n1/2025/1007/c64387-40577329.html)

Zhonggong Hangzhou Shiwei Shehuigongzuobu, 2025, 28 October, '收藏！《居民委员会组织法》新旧对照表' (Save it! Comparison Chart of the Amendments to the Residents' Committees Organic Law) (https://www.hzshgzb.gov.cn/content/content_9150883.html)

Zhonggong Hangzhou Shiwei Shehuigongzuobu, 2025, 26 December, '收藏！《村民委员会组织法》新旧对照表' (Save it! Comparison Chart of the Amendments

to the Villagers' Committees Organic Law) (https://www.hzshgzb.gov.cn/content/content_9150883.html)
Zi, Yang, 2025, 21 July, 'China's Fast-Shrinking Central Military Commission', *The Diplomat*.
Zhongguo Gongchandang 2025. '中国共产党历次全国代表大会数据库' (Historical Database of the National Congresses of the Chinese Communist Party) (https://cpc.people.com.cn/GB/64162/64168/index.html).
Zhongguo Zhengfuwang 2024, 5 March, '最全！50个动态场景看2024《政府工作报告》全文' (It's full text! 50 dynamic visualizations to read the full text of the 2024 «Government Work Report») (https://www.gov.cn/yaowen/liebiao/202403/content_6936260.htm)
Zhonghua Renmin Gongheguo Shangwubu 2025, 29 December, '中华人民共和国对外贸易法' (Foreign Trade Law of the People's Republic of China) (https://www.mofcom.gov.cn/zwgk/zcfb/art/2025/art_03fbae1ec4bd48459099930e803bce5e.html)

China's 2025: Forging a new global role

Veronica Strina

University of Salerno
vstrina@unisa.it

This article analyses China's foreign policy in 2025 as a phase of global role consolidation, manifested most visibly in the introduction of the Global Governance Initiative but extending well beyond it. Drawing on interactionist Role Theory, the study examines how China articulated, performed, and negotiated its global role through diplomatic interactions in a context of intensified international fragmentation and instability. Based on content and narrative analysis of the Chinese Ministry of Foreign Affairs' official statements and policy documents released in 2025, the article argues that neighbourhood and South-South diplomacy emerged as the primary arenas in which China's global role was most significantly relocated, tested, and contested. In doing so, the article suggests that China's foreign policy behaviour throughout the year, rather than signalling a mere turn toward assertiveness, reflects its evolving self-conceptualisation as a global power, entailing a reconfiguration of its role identity as such and its associated dilemmas. Ultimately, it contends that China's global positioning is increasingly reorienting the normative and spatial coordinates of contemporary diplomacy toward the East.

Keywords – China's foreign policy; global role; major-power diplomacy; neighbourhood diplomacy; Global South.

1. *Introduction*

In 2025, China's foreign policy entered a phase marked by the consolidation of its global role. At the Shanghai Cooperation Organisation (SCO) Plus meeting in Tianjin on 31 August and 1 September – the largest gathering in the organisation's twenty-four-year history – President Xi Jinping formally introduced the Global Governance Initiative (GGI). As the fourth major global initiative advanced under Xi's leadership, following the Global Development Initiative (GDI), the Global Security Initiative (GSI), and the Global Civilization Initiative (GCI) – referred to as the «three major initiatives» (*san da changyi* 三大倡议), respectively proposed by the Chinese leadership in September 2021, April 2022, and March 2023 – the GGI encapsulates China's growing ambition to shape the principles and practices of global governance. Framed as a response to the perceived inadequacies of existing governance mechanisms, the GGI aims to offer «China's wisdom» and «China's solutions» to promote the building of a more just and

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

equitable global governance system to the realisation of a «community with a shared future for humanity» [Ministry of Foreign Affairs of the PRC 2025a, 1 September]. Introduced at a time that Chinese political discourse has described as a «big year for global governance», the initiative portrays the international system as standing at a new crossroads, characterised by deep fragmentation and instability [Ministry of Foreign Affairs of the PRC 2025b, 1 September]. Against this backdrop, the GGI is presented as both «timely and crucial», responding to the central question of «what kind of global governance system to build and how to reform and improve» it [Ministry of Foreign Affairs of the PRC 2025b, 1 September].

Throughout the year, China's engagement with key global issues was staged across a range of international fora. Among others, on 23 April, Xi addressed the Leaders Meeting on Climate and the Just Transition via video link, marking the tenth anniversary of the Paris Agreement and reiterating China's role as a major contributor to global green development [Ministry of Foreign Affairs of the PRC 2025, 23 April]. Later in October, Beijing hosted the Global Leaders' Meeting on Women to commemorate the 30th anniversary of the Fourth World Conference on Women, where Xi advanced four proposals to promote the global women's cause, framing gender equality as an indispensable force «adding brilliant splendor to the progress of human civilization» [State Council of the PRC 2025, 13 October].

Whilst signalling an unprecedented shift from participation in global governance toward a growing ambition to shape its norms and practices, China's global initiatives and activism also point to an enduring analytical puzzle: the more China expands its global presence and moves to the centre of world politics, the more its global role becomes at once contested and inherently contesting of the prevailing international order.

Understanding how China's global role is articulated requires closer analytical attention to the very notion of role. Within the discipline of International Relations (IR), Role Theory offers a particularly well-suited analytical lens for decoding and tying agential behavioural patterns to social structures, providing a theoretical bridge between foreign policy analysis (FPA) and IR theory [Thies & Breuning 2012]. International roles are fundamental components of international social structures shaped by ego (the Self) and alter (the Other) expectations regarding an actor's purpose within an organised group (Thies 2010, 6336). The premise, therefore, is that roles exist only in relation to counter roles, where both hold expectations over each other [Stryker & Statham 1985]. In this sense, the notion of «global role» – still overlooked within Role Theory scholarship – remains analytically nebulous unless understood as emerging from the multiple and overlapping configurations of international roles emerging from international interactions, which are intercultural in nature [Strina 2025]. Drawing on this understanding grounded on an interactionist approach to Role The-

ory,[1] this article analyses the People's Republic of China (PRC) interactions with the world as they unfold through diplomacy, understood as the process of fostering mutual trust and productive relationships by enabling states to pursue their foreign policy objectives without resorting to propaganda or force [Berridge 2022]. As previously argued in an article on China's foreign policy in 2024 published in this journal [Pelaggi 2025], diplomacy constitutes a central dimension of China's external projection and the way it interacts with the world. Building on this assumption, the present study accords diplomacy a central analytical place to decode the evolution of the PRC's foreign policy in 2025 and its global role-making.

Whether Xi's foreign policy agenda aligns with the same goals as previous leaderships or if this is forging a new diplomatic identity for «a new type of international relations» (*xinxing guoji guanxi* 新型国际关系) with distinct strategic objectives and instruments remains subject of a heated debate within IR scholarship [Smith 2021; Garver 2016; Goldstein 2020; Chang-Liao 2016]. Positions differ widely, with some describing Xi Jinping's foreign policy as «old wine in new bottles» [Cabestan 2012] while others characterising it as newly or increasingly assertive [Swaine 2010], as most recently exemplified by the so-called «wolf warrior diplomacy».[2] Regardless of divergent positions, the conventional wisdom of a «new assertive» China under Xi Jinping has become the «new common sense» – to say it in Gramscian terms. While such interpretations capture visible shifts in the Chinese leadership's tone and posture, they tend to flatten the relational dynamics through which China's foreign policy is articulated. Adopting a Role Theory perspective may instead allow us to decode China's emerging global role as the result of the interplay between diverging international expectations for China to assume greater responsibility and Beijing's evolving national role conception as a global power.

1. Role Theory is commonly divided into a structuralist and an interactionist strand, with Holsti's seminal work providing a foundational reference for both [Holsti 1970]. Whilst structuralist approaches conceptualise roles as relatively stable social positions shaped primarily by ego conceptions, interactionist approaches view roles as emergent and negotiable patterns of behaviour arising from ongoing ego-alter interactions. This study adopts the interactionist perspective, drawing on George Herbert Mead's social theory and its subsequent development within role theory analysis, including applications to the Chinese case. See Harnisch et al.2015.

2. The expression "wolf warrior diplomacy" takes its name from the 2015 Chinese action movie 'Wolf Warrior' (*Zhanlang* 战狼). Initially used in Chinese online discourse to mock excessive nationalism, the term was later taken up by Western media to characterise China's increasingly confrontational diplomatic style, marked by sharp rhetoric and nationalist overtones linked to the imperative to secure 'discourse power' (*huayuquan* 话语权). This label became closely associated in particular with diplomat Zhao Lijian, whose combative public statements and social media activity came to exemplify this diplomatic posture. On this theme, see Sullivan and Wang 2022.

This article begins by offering a snapshot of China's global role-making in 2025, exploring the evolution of national role conceptions of «Global China» through qualitative content and narrative analysis of Chinese official policy documents and speeches given throughout the year by President Xi Jinping, the Foreign Minister Wang Yi, and the Ministry of Foreign Affairs spokesperson. Narrative analysis, like content analysis, employs speech and text as main sources, but it is more inherently interpretive, enabling «researchers to make robust interpretations of the events that constitute foreign policy traditions and dilemmas – thus intimately portraying the role relationship process» [Wehner 2020, 368]. By employing such a research method, therefore, this article aims to trace changes in Chinese political discourse resulting from China's international interactions via diplomacy. Building on this theoretical and methodological approach, this paper develops an in-depth analysis of China's neighbourhood and South-South diplomacy as the primary arenas in which China's global role has been articulated and tested in 2025. In doing so, the article seeks to provide analytical depth to aggregate indicators of influence, such as those captured by the *Global Soft Power Index 2025*, whereby China ranks second, and the *Asia Power Index*, an annual composite measure of power in Asia developed by the Lowy Institute, which assess states across multiple dimensions, including economic capability, military capacity, diplomatic influence and cultural reach. The 2025 ranking points to a narrowing of the gap between Washington and Beijing's influence in the Asian continent by more than two points compared to the previous year, the smallest margin observed since 2020 [Patton and Sato 2025]. Rather than taking such power scores at face value, this paper probes the deeper relational dynamics of China's global role-making within the region. Accordingly, it aims to advance an interpretive account of how China actively articulated, performed, and negotiated its international role as «Global China» over the course of the year while reorienting the centre of gravity of global diplomacy toward the East. The conclusions reflect on the meanings and challenges of the PRC's activism in global security and governance since 2022-2023 [Sciorati 2024], with the emergence of the Global South as Global China's «most significant Other».

2. *China's global role-making in 2025*

Throughout 2025, China's global role-making found its most vivid expression in the already mentioned Global Governance Initiative (GGI), which frames the «multipolarisation and democratisation of international relations» as a pathway to better reflect the interests of the Global South and advance global peace and development. Its framework is grounded in «five core concepts»: adherence to sovereign equality, respect for international rule of law, commitment to multilateralism, a people-centred orientation,

and concrete action [Ministry of Foreign Affairs of the PRC 2025a, 1 September]. In the self-assigned role as a «doer of global governance reform», China is accordingly tasked with deepening cooperation among BRICS countries and the «SCO family», while supporting mechanisms such as the G20 and the Asia-Pacific Economic Cooperation (APEC), as well as institutions including the Asian Infrastructure Investment Bank, the New Development Bank of the BRICS countries, and the proposed SCO Development Bank [Ministry of Foreign Affairs of the PRC 2025, 16 October]. By playing a crucial role in South-to-South cooperation, the plan casts China as a «builder of international fairness and justice» and as «a provider» of the «golden key» to solve global challenges [Ministry of Foreign Affairs of the PRC 2025, 16 October]. Such self-identifications were reaffirmed in the context of the establishment of the Group of Friends of Global Governance, a coalition comprising 43 countries, which held its inaugural meeting at the United Nations (UN) Headquarters on 9 December 2025 at the level of Permanent Representatives. In its first joint declaration, the Group expressed concern over the persistent under-representation of the Global South and the erosion of international law, explicitly welcoming the Global Governance Initiative proposed by Xi Jinping [Permanent Mission of the PRC to the UN 2025, 9 December].

Framed within the context of the UN's 80th anniversary, these recent developments manifest China's growing projection as a custodian of the international order inherited from the Second World War, aimed at legitimising Beijing's positions on sovereignty-related issues – most notably Taiwan – by grounding them in the core principles of the Westphalian order. At the same time, while unveiling the PRC's fourth global initiative at the SCO summit, Xi also urged member states to set an example in upholding the common values of humanity, announcing China's decision to provide humanitarian assistance to SCO countries, including the treatment of 500 patients with congenital heart disease, the performance of 5,000 cataract operations, and the implementation of 10,000 cancer screenings [State Council of the PRC 2025, 1 September]. Drawing on the Confucian discourse of «leading by example», Xi has increasingly claimed to perform a constructive and mediating role in international affairs, primarily pledging USD 100 million in humanitarian assistance to Palestine and expressing support for the Egypt- and Arab-led plan for restoring peace in Gaza, while also engaging in shuttle diplomacy between Thailand and Cambodia to help de-escalate bilateral tensions ['How China engages' 2026, 4 January]. These initiatives build on a longer-term expansion of the PRC's presence in regions affected by instability and conflict over the past two decades. A clear indicator of this evolution is the PRC's growing involvement in United Nations peacekeeping operations, where China now ranks as the second-largest financial contributor [United Nations Peacekeeping 2025a] and the eighth-largest contributor of troops and police personnel, with

1,877 deployed [United Nations Peacekeeping 2025b]. This engagement is complemented by voluntary contributions through instruments such as the Peace and Development Trust Fund and the Global Development and South-South Cooperation Fund, as well as by a growing protagonism in post-conflict reconstruction in countries such as Afghanistan, Iraq, South Sudan, Ethiopia, and Syria. On 20 October 2025, the launch of the International Organization for Mediation in Hong Kong, the world's first intergovernmental body dedicated to mediation, further signals the effort to institutionalise China's approach to peaceful dispute resolution [Ministry of Foreign Affairs of the PRC 2025, 20 October]. Nonetheless, the expanding involvement and investment in peacekeeping and post-conflict operations have unfolded alongside a selective engagement in crisis mitigation.

In the case of the India-Pakistan conflict in May 2025, for instance, although Beijing reiterated its full support for «Pakistan's legitimate security concerns», its contribution remains limited [Ministry of Foreign Affairs PRC 2025, 27 April]. Chinese claims of having facilitated de-escalation following Operation Sindoor were explicitly rejected by Indian government sources, which maintained that the ceasefire had been reached bilaterally without any third-party mediation [Jalali 2026, 1 January]. In the Middle East, meanwhile, Beijing reiterated its support for a two-state solution, advocating a «comprehensive, just and lasting settlement of the Palestinian question» [Ministry of Foreign Affairs of the PRC 2023, 30 November]. However, this diplomatic positioning as a global peacemaker unfolded alongside the reaffirmation of the importance of sound Sino-Israeli relations, as well as increased demonstrations of enhanced military capability and state power.

In mid-March, China conducted joint naval drills with Iran and Russia in the Gulf of Oman – marking the fifth consecutive year of trilateral cooperation – while renewing calls to revive negotiations under the Joint Cooperation Plan of Action framework. Although fewer than in 2024 (seven compared to eleven), joint exercises with Russia nonetheless signalled continued military coordination [von Essen 2025, 15 April]. At the same time, Iran hosted the first Shanghai Cooperation Organisation military exercise on its territory, the five-day «Sahand-2025» drill involving China, India, Russia and other SCO members. On 3 September 2025, two days after the conclusion of the SCO Summit in Tianjin, a large-scale military parade was held in Beijing on the occasion of the «80th Anniversary of the Victory of the Chinese People's War of Resistance Against Japanese Aggression and the World Anti-Fascist War». The parade served as a highly visible demonstration of China's growing military capabilities, featuring the unveiling of a new intercontinental ballistic missile, the DF-61, alongside systems equipped with hypersonic glide vehicles designed to evade missile defences. Together with a broad array of unmanned and directed-energy platforms, the full nuclear triad display unmistakably shed light on the PRC's expanding industrial and technological capacity, readily communicating to the world its ability

to materially sustain – and, if necessary, enforce – its vision of international order. In parallel, supporting China's longstanding claims of a «peaceful rise», in November, the State Council Information Office (SCIO) released a white paper titled «*China's Arms Control, Disarmament, and Nonproliferation in the New Era*», which reaffirmed Beijing's commitment to a defensive national policy, transparent and proportionate military spending, and a constructive role in international arms control [State Council Information Office of the PRC 2025, 27 November]. The document also emphasised Beijing's ambition to assume leadership roles in global biosecurity governance and in emerging domains of international security, including outer space and cyberspace [State Council Information Office of the PRC 2025, 27 November]. The launch of the Tianwen-2 mission in May 2025 – China's fastest and most precision-demanding deep-space probe to date – together with the continued operation and scientific expansion of the Tiangong space station through missions such as Tianzhou-9 and the Shenzhou-20 and -21 crewed flights, have further served as manifestations of the country's advancing capabilities in deep-space exploration and in emerging domains of international competition.

Set against these highly visible manifestations of its global power in material-capability terms, 2025 also marked a significant evolution of China's soft power projection, gaining traction through less institutionalised and more popular channels. In January, a short-lived ban on TikTok prompted millions of American users to migrate temporarily to the Chinese platform RedNote, where interactions between new and existing users generated unexpected forms of cultural exchange. In the cultural industries, the animated film *Ne Zha 2* achieved unprecedented box-office success both domestically and internationally, surpassing USD 2.14 billion in revenue and topping global animated film rankings [State Council Information Office of the PRC 2025, 30 December]. Pop Mart's Labubu figurine became a global viral phenomenon, driving a sharp increase in profits and share value as international audiences and celebrity consumers embraced the character. Meanwhile, Chinese consumer brands continued to expand abroad, with coffee and tea chains such as Luckin, Chagee, and Mixue opening outlets in the United States (U.S.). Furthermore, the PRC's expanding visa-free travel policies to 48 countries, coupled with the establishment of new air routes and an increase in daily flight frequencies, have contributed to a steady increase in foreign visitors. According to the World Travel & Tourism Council, the country's travel and tourism sector is projected in 2025 to make a record contribution of ¥ 13,7 trillion to the national economy – over 10 percent above pre-pandemic levels – while supporting more than 83 million jobs, including an estimated 1.3 million new positions created during the year ['China Surges Ahead' 2025, 30 April]. The winter sports industry has also emerged as a central vehicle for tourism attraction and international visibility [State Council of the PRC 2025, 2 February]. The year opened with

Harbin hosting the Ninth Asian Winter Games, bringing together people and leaders from across Asia and pledging to «deliver a spectacular sports gala for the world» [State Council of the PRC 2025, 7 February]. The Games witnessed a widening of participation, with Bhutan, Cambodia, and Saudi Arabia making their debut, while Afghanistan and Bahrain returned after having missed the 2017 edition [Kano 2025, 3 February]. Set in China's «Ice City», the Harbin Games contributed to strengthening the process of winter sports modernisation, notably accelerated by the Beijing 2022 Winter Olympics, and establishing China as a global sports power. The hosting of sports mega-events also played a significant role on the domestic front, serving as an instrument of national cohesion. The organisation of the Fifteenth National Games, staged jointly for the first time by Guangdong, Hong Kong, and Macao, advanced the embedding of the «one country, two systems» framework within the sporting arena, promoting integration in the Guangdong-Hong Kong-Macao Greater Bay Area, among the most prominent technology clusters in the world. Alongside these more conventional events, the hosting of the 2025 World Humanoid Robot Games inaugurated the first-ever global competition of humanoid robotics. The event brought together 280 teams from 16 countries, including the United States, Germany, and Italy, showcasing advances in intelligent decision-making and serving as a venue for international exchange among robotics researchers and engineers, thereby underscoring the Chinese leaderships' concerted efforts to advance China's global positioning as a science and technological superpower [State Council Information Office of the PRC 2025, 18 August].

In this sense, in 2025, 13 Chinese universities ranked among the world's top 200, while 346 institutions were included in the top 2,000, surpassing U.S. institutions for the first time [QS Top Universities 2025]. The growing international competitiveness of Chinese universities has been accompanied by sustained efforts to internationalise China's higher education system. On 11 April, at the opening ceremony of the 2025 China Study Abroad Forum and China International Education Exhibition Tour in Beijing, the World Study Tour Alliance was officially launched – an initiative aimed at integrating high-quality educational resources from universities and institutions worldwide, with nearly 40 Chinese and international universities participating ['Connecting with the World' 2025]. Acording to Springer Nature ['Global Research Pulse' 2024], China has also become the largest contributor to global research output and has advanced to the 10th position in the global innovation index by the World Intellectual Property Organization ['Global Innovation Index' 2025]. In this context, the introduction of the K-Visa (Young Science and Technology Talent Visa), effective from October 2025, has formalised mechanisms for attracting foreign scientific talents, supporting China's ambition to position itself as a global hub for talent and innovation by 2030 [State Council of the PRC 2021, 29 September]. However, evidence suggests that the PRC is, at present, still

unable to compete on an equal footing with the United States in attracting top-tier international talent, particularly in cases where they lack pre-existing academic, professional, or personal ties to China [Groenewegen-Lau & Hmaidi 2024]. Structural constraints to international mobility go hand in hand with critical international perceptions of the country.

While public views of China have become more favourable since 2024 in 15 of the 25 countries surveyed by the Pew Research Center, majorities continue to express limited confidence in Xi Jinping's ability to «do the right thing» in world affairs, even though confidence in him has increased in 16 of the 25 cases [Silver et al. 2025, 15 July]. This variation in perceptions highlights the heightened importance of diplomacy, and particularly public diplomacy, as a central site of global role-making. It is precisely through this domain that China seeks to manage the tensions between its expanding material capabilities and the persistent limits of its international reputation, long captured by Shambaugh's [2013] characterisation of «Global China» as a «partial power». This renders Role Theory-informed analysis of the PRC's foreign policy behaviour particularly revealing for understanding how it navigates national conceptions and external expectations vis-à-vis its global rise.

3. *Mapping the year's «Xiplomacy»*[3]

2025 witnessed the enactment of China's multiple and overlapping national role conceptions: a stabiliser in regional and economic crises; the voice and the natural representative of the Global South; a responsible major power building international fairness and justice; and a reformer of global governance. It is against this multi-layered constellation of self-identifications that Xi's diplomacy throughout the year must be understood. 2025 unfolded as a year of re-intensified global diplomatic exposure for China, marked by Xi Jinping's four foreign trips to six countries and participation in seven major international meetings [China's Diplomacy in the New Era 2025]. In comparative perspective, while the pre-pandemic years (2013-2019) were characterised by frequent and geographically extensive overseas travel (an average of approximately 15 high-level overseas visits per year), the 2021-2022 period saw a marked contraction in physical diplomacy, with summit participation largely conducted online. Following the gradual reopening observed in 2023 and the dense diplomatic calendar of 2024, 2025 signals continuity in this trajectory, albeit in a more regionally focused configuration [China's Diplomacy in the New Era 2025]. Such diplomatic regional engagement unfolded alongside renewed trade frictions with Washington,

3. For an overview on the so-called «Xiplomacy» over the past decade see Wulzer et al. 2025.

initially imposing a 10% punitive duty on goods imported from China, citing fentanyl-related concerns. Beijing, in turn, adopted a set of countermeasures targeting U.S. businesses and introducing retaliatory levies of 15% on U.S. coal and liquefied natural gas, and 10% on crude oil and selected automobiles. The escalation intensified in early April, when President Trump further raised tariffs on Chinese imports to 125%, from 84%, prompting expanded retaliatory duties from the Chinese side, tightening export controls on rare earths and dual-use materials, and issuing travel warnings to its citizens regarding the U.S. [Lee & Bu 2025, 25 November]. These developments heightened uncertainty across global supply chains, particularly in Southeast Asia.

It was in this context of heightened global economic uncertainty that, between 14 and 18 April, President Xi undertook state visits to Vietnam, Malaysia, and Cambodia – his first overseas trip of the year – during which a record total of 108 cooperation documents were signed across sectors ranging from infrastructure and the digital economy to green development. The Southeast Asian tour was preceded by Xi Jinping's meeting with representatives of the international business community at the Great Hall of the People in late March. Attended by more than forty foreign business leaders and representatives of business councils, the event reaffirmed China's role as a «major contributor to and anchor of stability for global growth for many years», now transitioning towards an innovation-driven development model centred on developing «new quality productive forces» [Ministry of Foreign Affairs of the PRC 2025, 28 March]. This positioning was further cemented during the three-hour meeting with Spanish Prime Minister Pedro Sánchez in Beijing on 11 April and, shortly after, on 24 April, by talks with Kenyan President William Ruto. During the meeting with Sánchez, Xi explicitly called on China and the European Union (EU) to jointly defend globalisation and oppose what he described as «unilateral acts of bullying» [Cash & Latona 2025, 11 April]. The visit illustrated the challenge facing Spain, as well as most European countries, of deepening engagement with China while remaining responsive to EU-level concerns, particularly those related to persistent trade imbalances.

Likewise, in subsequent talks with President Ruto, China's self-identification as a stabilising actor for the Global South in the context of an increasingly volatile international environment was explicitly endorsed by the Kenyan President. The visit culminated in the signing of twenty cooperation agreements covering the Belt and Road Initiative (BRI), high technology, trade, media, and people-to-people exchanges [Ministry of Foreign Affairs of the PRC 2025, 24 April]. The relevance of President William Ruto's visit was also highlighted in the *List of the Outcomes of the Implementation of the Follow-up Actions of the Beijing Summit of the Forum on China-Africa Cooperation*, issued in the context of the Changsha meeting convened to advance the implementation of the 2024 FOCAC (Forum on China-Africa Cooperation)

Summit outcomes, which ushered in the construction of an «all-weather China-Africa community with a shared future for the new era». [Ministry of Foreign Affairs of the PRC 2025a, 11 June]. The meeting reviewed progress achieved since the summit, marking the opening of a new phase of China-Africa cooperation as FOCAC entered its twenty-fifth anniversary year, and resulting in the release of the *China-Africa Changsha Declaration on Upholding Solidarity and Cooperation of the Global South*. Within the declaration, China-Africa cooperation is explicitly framed against ongoing disruptions to the international economic and trade order, with criticism directed at U.S. tariff practices justified in the name of «reciprocity» and instead imposing disproportionate costs on developing economies [Ministry of Foreign Affairs of the PRC 2025b, 11 June]. Among the most consequential measures adopted in Changsha was China's commitment, first announced in 2024, to extend duty-free market access to goods from 53 African countries, additionally granting least developed African countries enhanced market access measures to boost trade in goods, strengthen skills and technical training, and expand the promotion of high-quality products. In this sense, the New Development Bank has emerged – in Xi's words during his visit to the headquarters on 29 April 2025 – as a «rising force in the international financial system and a shining example of Global South collaboration», with the institution set to embark on a «second golden decade» of high-quality development, as BRICS cooperation itself enters a more mature phase [State Council of the PRC 2025, 29 April].

At the BRICS Ministers of Foreign Affairs and International Relations Meeting held in Rio de Janeiro in April 2025, Chinese Foreign Minister Wang Yi framed the group as standing «at the forefront of the Global South», emphasising both its demographic and economic weight and its normative responsibility to act as a counterweight to hegemonism, unilateralism, and protectionism, with China positioned as the natural representative of this collective identity [Ministry of Foreign Affairs of the PRC 2025, 30 April]. However, such a self-projection was accompanied by significant symbolic developments later in the year. For the first time since assuming office, President Xi Jinping was absent from the annual BRICS leaders' summit held in Rio, with Premier Li Qiang representing China in his stead. The absence immediately generated speculation among observers, some of whom interpreted it as a signal of declining Chinese commitment to the grouping or even as evidence of BRICS' gradual erosion. Such interpretations were further reinforced in light of Vladimir Putin's decision not to attend the meeting in person, as well as by the prominence accorded to India in the handover of the BRICS rotating presidency amid persistently fragile Sino-Indian relations – marked by Indian accusations regarding China's support for Pakistan and New Delhi's refusal, only weeks earlier, to endorse a joint communiqué at the SCO defence ministers' meeting hosted by Beijing [Reuters 2025, 26 June]. Whilst most observers agree that within the

BRICS framework members have increasingly relied on China to leverage their international positioning rather than the reverse [Glosny 2010], they also concur that BRICS functions as an arena through which the Chinese leadership leverages the grouping itself as an extension of its long-standing self-ascribed role as a voice and representative of the developing world. Interpreting Xi's absence as indicative of disengagement, therefore, risks overlooking the intellectual infrastructure sustaining China's diplomatic role identity. On a more pragmatic note, Xi had met President Lula twice within the preceding year – first at the G20 summit and subsequently at the China-CELAC (Community of Latin American and Caribbean States) Forum. But more significantly, Xi's absence from the Rio summit coincided with the President's inspection tour in Chinese Shanxi Province, where he visited a monument square commemorating the martyrs of the Hundred-Regiment Campaign (1940-1941), paying tribute to the Eighth Route Army and China's resistance against Japanese aggression. Addressing visiting students, he called on younger generations to carry forward the revolutionary legacy and the task of «national rejuvenation». During the same visit, Xi also inspected an important company, the Yangquan Valve Co., where he reiterated the strategic relevance of comprehensive reform in resource-based economies, calling for the transformation of the coal sector from low-end extraction toward higher-value production. In light of these events, Xi's summit absence appears to suggest that the forging of China's global role is inseparable from processes of domestic consolidation, particularly the strengthening of cultural and historical confidence at home. Xi's Shanxi tour, in other words, sheds light on the political and symbolic weight attached to 3 September 2025, marking the eightieth anniversary of the victory of the «Chinese People's War of Resistance against Japanese Aggression and the World Anti-Fascist War».

Notably, the Second Sino-Japanese War (1937-1945) occupies a foundational place in the collective memory of the Chinese Communist Party (CCP), representing the ultimate triumph achieved through the collective sacrifice of the Chinese people under its leadership. The imperative to «tell the story of the War well» (*jiang hao kangzhan gushi*讲好抗战故事) has thus increasingly served to strengthen the CCP's leadership at home and frame contemporary international tensions as a continuation of past struggles, reinforcing the claim that China stands on the right side of history and on the side of international fairness and justice [Central Government PRC 2025, 29 August]. This message was visually staged during Victory Day as helicopters flying above the military parade carried banners declaring «Justice shall prevail», «Peace shall prevail», and «People shall prevail», framing China's rise as just and inevitable despite Western containment efforts [State Council of the PRC 2025, 3 September]. Despite the decline in the number of attending foreign leaders from thirty in 2015 to twenty-six, the parade's symbolic choreography – and most notably the alignment of Xi

Jinping with Vladimir Putin and Kim Jong Un, the first North Korean leader to attend a Chinese military parade since 1959 – unmistakably projected China's leadership blueprint within an emerging post-Western order. While consolidating its confrontational positioning vis-à-vis the U.S. amid Donald Trump's accusations that Beijing and its partners were conspiring against Washington [Gan et al. 2025, 3 September], the parade also assumed particular significance in the framing of Japan as an «adversarial Other».

A formal protest took place after *Kyodo News* reported that Japanese embassies had warned foreign governments against attending the Victory Day parade in Beijing, citing concerns over anti-Japanese undertones [Zhou 2025, 26 August]. These developments foregrounded a marked deterioration in Sino-Japanese relations, widely regarded as the most severe in over a decade, amid Japan's conservative turn under the government of Sanae Takaichi. Public statements by Japan's new Prime Minister framing a potential Chinese attack on Taiwan as an «existential threat» to Japan – thereby legitimising possible intervention by the Japan Self-Defense Forces – have fed into longstanding anti-Japanese sentiment in China, rooted in what Chinese historiography defines as the «Century of humiliation». In 2025, relations between the two neighbours appear to have reached a new low, increasingly characterised by measures with tangible economic consequences. In response to Takaichi's rhetoric, Beijing has indeed employed subtler but highly targeted forms of pressure. In November, Chinese authorities issued a travel advisory discouraging citizens from visiting Japan, officially justified on security grounds and explicitly linked to the Prime Minister's «erroneous statements» on Taiwan. Several Chinese airlines began offering refunds or free ticket changes, effectively lowering the practical costs of cancelling travel. Given Japan's growing reliance on inbound tourism, particularly from high-spending Chinese visitors, this targeted form of low-intensity economic coercion generated domestic pressure while avoiding escalation into a trade confrontation.

While ties with Japan hardened, China-U.S. relations in late 2025 experienced a gradual yet fragile thaw, symbolised by President Donald Trump's meeting with Xi Jinping in Busan in October – one of the most closely watched diplomatic encounters of the year. The talks yielded a limited trade truce: Washington agreed to ease selected tariff measures, while Beijing committed to resuming imports of U.S. soybeans, delaying the introduction of export controls on certain rare earth elements, and intensifying cooperation to curb illicit fentanyl trafficking. Although this stabilisation generated cautious optimism, it remained narrowly transactional and deliberately decoupled from high-sensitivity security issues, most notably Taiwan, which was absent from the agenda.

Overall, Xi's diplomatic trajectories in 2025 suggest that the multiplicity of global roles that Beijing simultaneously performed across issue areas, audiences, and contexts, rather than signalling inconsistency, reflects

an increasingly structured role conception of China as a global power. On 30 December 2025, at the Symposium on the International Situation and China's Foreign Relations, Wang Yi outlined the five main contributions of China's diplomacy over the course of the year, which largely correspond to the role identities discussed above: a stabiliser in regional and economic crises; the voice and the natural representative of the Global South; a responsible major power building international fairness and justice; and a reformer of global governance. In his speech, Wang Yi first depicted China as an «anchor of stability» in a world where peace is increasingly under threat; second as «a pillar» of its surrounding region, emphasising good-neighbourliness and regional cooperation; third, as a «defining force» amid transformations in the international order; fourth, as «a main engine» for global development in the face of mounting development challenges; and fifth, as a «steadying force» in defence of international justice and its foundational principles [Ministry of Foreign Affairs of the PRC 2025, 30 December]. While these roles remain embedded in China's long-established national role conceptions – namely as a socialist state country, a developing country of the Global South, a civilisation-state, a responsible power, and a great power [Men 2014] – they nonetheless reflect its broadening toward a global role conception that asserts claims to centrality in global governance. Self-identifications such as «anchor», «pillar», «defining force», «main engine», and «steadying force» position the PRC as a gravitational centre around which stability, development, and order are expected to coalesce.

Among the key moments of China's annual diplomacy articulating these role identities was the 61st Munich Security Conference, where Wang Yi described the country as «a factor of certainty in this multipolar system» and «a steadfast constructive force» in a changing world, embracing the notion of China as an «enabler» of global development [Ministry of Foreign Affairs of the PRC 2025, 17 February]. Likewise, Xi Jinping's remarks at the Leaders Meeting on Climate and the Just Transition stressed that, regardless of how the world may change, China would neither slow its climate actions nor reduce its support for international cooperation [Ministry of Foreign Affairs of the PRC 2025, 23 April].

Along with China's representation as a stable and central actor on the global stage is the unchanging identification as a member of the Global South: «No matter how the international landscape evolves, we in China will always keep the Global South in our heart, and maintain our roots in the Global South» – Xi reiterated at the BRICS Plus leaders' dialogue [State Council of the PRC 2025, 24 October]. Such a self-identification is deeply rooted in China's shared history of exploitation with other postcolonial nations, playing a crucial role in its affiliation with developing countries. However, it has continued to evolve from a «deliberate emphasis on national insecurity» rooted in national humiliation experienced during the Opium War towards a «deliberate emphasis on national confidence» [Callahan 2009].

This gradual rebalancing, grounded on the uniqueness of China's historical and cultural experience, enables Beijing to claim a distinctive role in advocating greater «representation» (*daibiaoxing* 代表性) and «voice» (*fayanquan* 发言权) for developing countries on the global stage, projecting itself as a leading economic model for future development paths of developing countries. Among other venues, at the Asia-Pacific Economic Cooperation (APEC) forum in South Korea, Xi Jinping reiterated China's identity as «an ideal, safe and promising destination for global investors», stressing that partnering with China means «embracing opportunities», «being optimistic about tomorrow», and ultimately «investing in the future» [State Council of the PRC 2025, 31 October]. The equation of China as the «future» reflects – to borrow from Callahan's (2009) words – its characterisation as a «pessoptimist nation»: an identity shaped by the interplay of pride and grievance, where national security concerns are deeply rooted in historical insecurities, yet coexist with optimism grounded in the success of its development path and civilisational grandeur. As the title of a signed article by Xi Jinping makes clear – *Learning from History to Build Together a Brighter Future*, published in the Russian Gazette ahead of his state visit to Russia for the celebrations marking the 80th anniversary of the Victory in the Soviet Union's Great Patriotic War – it is China's role as guardian of historical memory that allows it to forge a brighter future for humanity [State Council Information Office of the PRC 2025, 7 May].

The past-future dimension of China's self-identification as a great power is best condensed in the notion of a «strong country/power» (*qiangguo* 强国), a status consistently framed in Xi's political discourse not as attained but as an aspirational and non-deferrable objective, articulated across multiple domains – from technology and education to culture, trade, and space. This vision of a «strong China» closely relies on the strength of the Party leadership, repeatedly emphasised by Xi, also for the New Year's address, as the indispensable condition for national rejuvenation [State Council of the PRC 2025, 31 December]. Central to this process is the study and education program aimed at fully implementing the Party's leadership and government conduct. It is not incidental that 2025 opened with the launch of a Party-wide education campaign aimed at reinforcing the implementation of the central leadership's eight-point decision on improving conduct, a fact listed by the State Council Information Office among the top ten news stories that defined China in 2025 [State Council Information Office of the PRC 2025, 30 December]. Framed as a corrective against bureaucratism, formalism, hedonism, and extravagance, the campaign underscored the leadership's emphasis on discipline, institutional rectification, and governing capacity as foundational to national strength. At the same time, the release in early January of the «blueprint for building a strong education system by 2035» highlighted the centrality of education modernisation to this process [State Council of the PRC 2025, 20 January].

Viewed through China's self-conception as a strong global power, the Asian continent emerged in 2025 as the central arena of Xi's diplomacy and, increasingly, as the primary stage on which major-power interaction unfolded. Asia's growing salience as a diplomatic hub was further reflected in the sequencing of high-level summits. The second China-Central Asia Summit, held in Astana in June, followed the first-ever EU-Central Asia Summit convened in Samarkand, attended by European Commission President Ursula von der Leyen and European Council President António Costa. Likewise, the fiftieth anniversary of diplomatic relations between China and the European Union was marked in Beijing at the 25th EU-China Summit, providing a platform to address bilateral relations alongside geopolitical issues, most notably the war in Ukraine. As noted above, the year's most closely watched episode of China's «major-country diplomacy» (*daguo waijiao* 大国外交) – the first meeting in six years between Xi Jinping and U.S. President Donald Trump – took place in Busan in October and was followed shortly thereafter by Xi's visit to the Republic of Korea, during which the two sides reaffirmed their strategic cooperative partnership. This diplomatic momentum carried into early 2026 with the visit of South Korean President Lee Jae-myung – an encounter iconically crystallised by the leaders' selfie.

4. *China's neighbourhood diplomacy in 2025: a regional arena of global role-making*

At the Central Conference on Work Related to Neighbouring Countries, held from 8 to 9 April 2025, Xi Jinping systematically reviewed the achievements and accumulated experience of China's «neighbourhood diplomacy in the new era», reaffirming the strategic centrality of its surrounding states [Ministry of Foreign Affairs of the PRC 2025, 9 April]. Neighbouring areas were described as a vital foundation for development and prosperity, a key front for safeguarding national security, and a priority arena for managing overall diplomacy. Crucially, the conference emphasised that work related to neighbouring countries can no longer be viewed in purely regional terms. Instead, it must be approached from a global perspective, reflecting the entry of China's neighbourhood into a critical phase of deep interlinkage between regional dynamics and broader transformations in the international system. This was readily visible from the very beginning of the year, with the Ninth Asian Winter Games held in Harbin bringing together heads of state and official representatives from the region, thus providing the backdrop for a dense round of head-of-state diplomacy. Xi Jinping held in fact separate meetings with the leaders of Kyrgyzstan, Pakistan, Brunei, and Thailand, indeed, using the occasion to advance cooperation agendas spanning emerging technologies, regional connectivity, development corridors, and

security coordination [CGTN 2025, 8 February]. Under the theme «Dream of Winter, Love among Asia», the Games aimed at creating a «new bond linking the city (Harbin) and the world» while bringing new vitality to cooperation across the continent, presenting Asia as the «convergence» of the world's diverse civilisations contributing to an «equal and orderly multipolar world» [Xi 2025, 7 February].

Against this backdrop, Xi Jinping's first overseas visits of the year took him to Vietnam, Malaysia, and Cambodia, forming a «Southeast Asia tour to cement neighbourly bonds, bolster regional cooperation» [State Council of the PRC 2025a, 14 April]. At the same time, as mentioned, the tour reflected China's effort to situate regional cooperation within a context of global uncertainty and systemic transformation, presenting Asia's cohesion and shared development as sources of stability and continuity.

In particular, the year marked the 75th anniversary of the establishment of diplomatic relations between China and Vietnam and was designated the China-Vietnam Year of People-to-People Exchanges. In this context, Xi Jinping's visit to Hanoi – his second in less than eighteen months – signals an effort to further consolidate bilateral ties, particularly in trade and supply chains, amid increasing pressures on global trade linked to U.S. tariff policies. The visit was indeed framed around the objective of jointly opposing «unilateral bullying», reinforcing China's self-presentation as a defender of a rules-based trade order, while casting the United States as the principal spoiler of the global trading system [State Council of the PRC 2025b, 14 April]. During the visit, the two sides signed 45 agreements of cooperation, including arrangements aimed at strengthening production and supply chains and advancing cooperation in railway development [Guarascio et al. 2025, 14 April]. Notably, Beijing secured Vietnam's approval for aircraft certified by the Chinese aviation regulator, paving the way for the potential operation of China-made passenger jets produced by the Commercial Aircraft Corporation of China (COMAC), China's state-owned aircraft manufacturer, in the Vietnamese market. Additional agreements included a memorandum between the China Council for the Promotion of International Trade and the Vietnam Chamber of Commerce and Industry, which is responsible for issuing certificates of origin. Given its scale and diplomatic salience, the visit elicited a response from U.S. President Donald Trump, who characterised the China-Vietnam engagement as being driven by efforts to «screw the US» [Liang 2025, 15 April].

Malaysia constituted the second leg of Xi Jinping's Southeast Asia tour and marked his second visit to the country as head of state. The timing of the visit was significant, following the fiftieth anniversary of diplomatic relations in 2024 and preceding Malaysia's chairmanship of ASEAN in 2025, thereby reaffirming China-ASEAN coordination as central to regional stability. The visit concluded with the *Joint Statement on Building a High-level Strategic Malaysia-China Community with a Shared Future*, which re-

affirmed Malaysia's commitment to the One-China Policy and underscored both sides' support for ASEAN centrality, including the full and effective implementation of the Declaration on the Conduct of Parties in the South China Sea and the objective of concluding a substantive Code of Conduct by 2026 [Ministry of Foreign Affairs of Malaysia 2025, 17 April]. The two sides also aligned their positions on international issues, including Gaza, and reiterated support for multilateral cooperation within the United Nations framework. Economically, cooperation focused on deepening integration across industrial, supply, value, data, and talent chains, with priority areas identified in the digital, green, blue, and tourism economies. The visit reaffirmed support for the Belt and Road Initiative Cooperation Plan signed in 2024, alongside commitments to enhance connectivity through projects such as the East Coast Rail Link, rail-sea transportation corridors, and the development of a seamless Air Silk Road between China and ASEAN. Chinese enterprises were encouraged to participate in Malaysia's 5G network development, while cooperation was further expanded through joint research projects, science and technology exchanges, and the implementation of the Bilateral Cultural Cooperation Agreement (2024-2029). During the visit, the two sides signed multiple cooperation documents covering areas including artificial intelligence, digital economy, trade in services, railways, agriculture, culture and tourism, and media, further embedding China-Malaysia relations within the framework of an «ASEAN-China community with a shared future».

Cambodia represented the final stop of Xi Jinping's visits and coincided with the designation of 2025 as the Cambodia-China Year of Tourism, described by both sides as the opening of a new chapter in the «iron-clad friendship» between the two countries [State Council Information Office of the PRC 2025, 13 April]. The visit concluded with the signing of 37 cooperation agreements spanning trade, infrastructure, education, energy, tourism, and strategic connectivity, and with the release of the *Joint Statement on Building an All-Weather Cambodia-China Community with a Shared Future in the New Era* [State Council of the PRC 2025, 18 April]. On the political front, Cambodia reiterated its position that issues related to Xinjiang, Tibet, Hong Kong, and Taiwan constitute China's internal affairs. Economically, cooperation centred on the implementation of the Diamond Cooperation Framework, with commitments to accelerate two flagship corridors – the Industrial and Technological Corridor and the Fish and Rice Corridor – aimed at advancing Cambodia's industrialisation and agricultural modernisation. China reaffirmed support for the Sihanoukville Special Economic Zone, encouraging greater participation by Chinese enterprises to promote industrial development in Preah Sihanouk province. Additional large-scale commitments included backing for the Funan Techo Integrated Water Resources Management Project and plans for a power plant in Koh Kong. The visit also addressed cooperation on security-related issues, with an emphasis

on human security and support for Cambodia's goal of becoming free of mines and explosive remnants of war.

Overall, Xi's visits took place at a moment when Southeast Asian countries, especially Vietnam and Cambodia, were subject to some of the highest initial U.S. tariff rates – 46 and 49 percent respectively – opening space for China to cast itself as a more reliable partner than Washington [Zhang 2025, 8 July]. As Xi's Southeast Asia tour showed China navigating and capitalising on trade turbulence generated by the tariff war, the same approach was also evident in the soft reset of its relationship with India. On the sidelines of the SCO summit, Prime Minister Narendra Modi met Xi Jinping in Beijing, marking his first visit to China in seven years following the violent clashes in the Galwan Valley in June 2020, in which at least twenty Indian soldiers and four Chinese troops were killed. The meeting took place after the relative stabilisation of the long-disputed Himalayan border and only days after the United States imposed a 50 percent tariff on Indian exports. The encounter produced several concrete outcomes, including agreements to resume direct passenger flights, reopen three designated border trade passes – Lipulekh, Shipki La, and Nathu La – facilitate visas and pilgrimage routes, and deepen economic engagement. Beyond these measures, the meeting was significant for the mutual redefinition of their respective international roles in relation to one another. Chinese Foreign Minister Wang Yi described China and India as «development partners rather than competitors» who «should build mutual trust rather than suspicion» [Ministry of Foreign Affairs of the PRC 2025, 14 July]. A reframing, however, that remains inherently fragile, as Chinese support for Pakistan, particularly in the May 2025 conflict, has clearly demonstrated. To be sure, the initial steps toward a rapprochement between India and China predated Trump's second term; nonetheless, the meeting functioned as a partial response to Trump's tariff escalation, offering China the opportunity to project itself as a predictable and engaged actor bringing «more benefits» (*huiji* 惠及) in spaces where U.S. policy has generated uncertainty and power vacuums.

The Second China-Central Asia Summit in Astana, when Xi Jinping and the leaders of the five Central Asian states signed the Astana Declaration and a landmark treaty on «eternal good-neighbourliness, friendship, and cooperation», should also be understood in this global perspective [Ministry of Foreign Affairs of the PRC 2025, 17 June]. The summit produced twelve cooperation agreements covering Belt and Road cooperation, trade facilitation, connectivity, green minerals, industry, customs, and people-to-people exchanges, alongside multiple sister-city agreements that brought the total number of such partnerships to over one hundred. The event was ultimately presented as a step toward building a closer «community with a shared future» resisting unilateralism, protectionism and promoting a fair international order. It is precisely in its stance against what it frames as US hegemonic politics that China's neighbourhood diplomacy has assumed in-

creasing centrality to its global role-making. This renewed emphasis reflects a deeper evolution China's national role conception toward its neighbours that began around 2013, when Beijing increasingly came to view itself as responsible actor not only for engaging its neighbourhood but for actively stabilising and harmonising «the periphery». This posture, however, builds on a much longer-standing worldview in which China's periphery has occupied a central place. Historically, the hierarchical tributary order of East Asia has provided a fertile – if contested – analytical terrain for explaining the relative stability of relations between a powerful Chinese polity and its smaller neighbours. It is within this historical and conceptual lineage that neighbourhood diplomacy emerges as a foundational component of China's contemporary global role conception, and increasingly as the primary site of its contestation.

The contested nature of China's relations with its neighbours was particularly visible in the South China Sea, where frictions between China and the Philippines intensified. Beijing's increasingly assertive posture relying on «grey zone» coercive practices ushered a series of close encounters and collisions involving coast guard and naval vessels – including incidents near Thitu Island and Scarborough Shoal – with both sides accusing the other of dangerous manoeuvres and provocation. By year's end, confrontations had expanded to affect civilian fishing activities, illustrating how China's neighbourhood diplomacy and the global role it seeks to enact through it continue to encounter sustained resistance by its most «close Others».

5. *«Re-orienting» major-country diplomacy*

A paradigm shift in the geopolitics of major power diplomacy became increasingly visible in 2025. Asia consolidated its position as a central arena for major power interaction, hosting a growing share of head-of-states exchanges and reflecting what could be defined as a «re-orientation» of modern diplomacy. Serving as a diplomatic hub and performative space through which China's global roles have been articulated and negotiated, in 2025, Beijing gained a structurally advantageous position as host, convener, and agenda-setter of the very terms under which global diplomatic interaction unfolded.

Among the many manifestations of this «re-orientation», the Fourth Ministerial Meeting of the China-CELAC Forum, held in Beijing in May 2025, was particularly indicative. The newly adopted Action Plan moved indeed beyond a narrow focus on sectoral cooperation, outlining instead a framework for strategic partnership articulated in civilisational terms. Particular emphasis was placed on strengthening exchanges and cooperation in the field of cultural heritage, including joint archaeological projects, the conservation and restoration of ancient and historic sites, and enhanced

collaboration among museums. Education and capacity-building constitute a central pillar of the plan's agenda, with China committing to provide CELAC member states with 3,500 government scholarships, 10,000 training opportunities in China, 500 International Chinese Language Teachers Scholarships, 300 training opportunities for poverty-reduction professionals, and 1,000 funded placements under the Chinese Bridge program. Measures facilitating mobility – most notably the introduction of visa exemptions for selected Latin American and Caribbean countries – were designed to further reinforce people-to-people connectivity [Ministry of Foreign Affairs of the PRC 2025, 14 May]. Alongside these initiatives, the Action Plan reaffirmed China's opposition to power politics and external interference, reiterating its support for Latin American and Caribbean countries in safeguarding independence and sovereignty. This position was echoed in Xi Jinping's bilateral engagement with Venezuelan President Nicolás Maduro on the sidelines of the Moscow commemorations marking the eightieth anniversary of victory in the Great Patriotic War, during which Xi reaffirmed China's firm support for Venezuela's sovereignty and stability [State Council of the PRC 2025, 10 May].

It was precisely in the context of the commemorations that the China-Russia relationship was elevated by Beijing as a paradigmatic example of contemporary major-country relations. Framed as a «role model» for great-power diplomacy, the partnership was performatively reaffirmed through a series of events, such as joint Chinese-Russian naval exercises, including submarine operations reportedly transiting the Tsushima Strait between Japan and South Korea, as well as annual joint exercises with Iran in the Gulf of Oman. Military coordination was at the centre of mounting international accusations regarding China's support for Russia's war in Ukraine, including direct public criticism from Ukrainian President Volodymyr Zelenskyy, urging it to take a more proactive stance in the conflict. Most notably, President Trump in Busan urged Xi Jinping to press Moscow to bring the war to an end, and French President Emmanuel Macron voiced similar expectations during his visit in China amid increasingly strained EU-China relations.

The evolution of EU-China relations – and the negotiation of their respective international roles – also found its diplomatic stage in China, particularly at the 25th EU-China Summit held in Beijing on 24 July. Convened at a moment of heightened strain in bilateral relations, and coinciding with the fiftieth anniversary of diplomatic ties, the meeting was dominated by concerns over persistent trade imbalances, market access, and the war in Ukraine. EU representatives underlined what they described as an inflection point in EU-China economic ties, pressing Beijing to take concrete steps to improve access for European firms in priority sectors such as agri-food, cosmetics, and pharmaceuticals, and calling for an end to retaliatory trade defence measures affecting EU exports, including brandy, pork,

and dairy products. The European side also raised concerns over China's export controls on rare earths and permanent magnets, the lack of reciprocity in the digital domain, persistent uncertainties surrounding data security and cross-border data flows, and alleged malicious cyber activities attributed to Chinese sources. Beyond economic issues, the summit addressed a range of political and security questions, including human rights in Xinjiang, Tibet, and Hong Kong, developments in the Taiwan Strait, and rising tensions in the East and South China Seas. While both sides issued a joint statement reaffirming their commitment to climate cooperation, the summit yielded limited tangible outcomes. Instead, it reflected the European Union's growing confrontation with structural constraints in its economic and geopolitical relationship with China, reinforcing the need for a more pragmatic and security-oriented approach to engagement with its eastern counterpart. As said, the year concluded with the state visit of French President Emmanuel Macron to Beijing, which both sides characterised as constructive, and during which multiple agreements were signed in key sectors, including nuclear energy, agri-food production, education, and environmental cooperation. On the economic front, Xi Jinping reaffirmed China's commitment to expanding domestic demand and maintaining openness, signalling readiness to increase imports of French products and to facilitate a greater presence of French firms in the Chinese market. Macron, for his part, emphasised the importance of ensuring a fair and non-discriminatory environment for Chinese companies operating in France, a position that partially diverged from the more restrictive trajectory of recent EU policies toward China, particularly amid Chinese retaliatory measures affecting emblematic French exports such as cognac. The continuation of the visit in Chengdu, accompanied by informal engagements, may be interpreted as a sign of the growing role of personal diplomacy within the so-called «Xiplomacy». More than that, however, it may signal a paradigmatic shift that sees China as the focal point of contemporary high-level diplomacy, with Beijing functioning as «unavoidable Other» through which major powers and Global South actors alike seek to advance economic agendas and find responses to global uncertainty.

6. *Conclusions*

Across 2025, China's foreign policy was best understood by this article as a project of global role consolidation and negotiation. The year's diplomatic engagements – from the launch of the Global Governance Initiative at the SCO summit to the dense sequencing of high-level encounters in Beijing and across Asia – revealed a state intent on shaping the terms, venues, and narratives through which China's international positioning is performed and understood. Read through the lens of Role Theory, China's conduct in

2025 appears as a sustained effort to stabilise a national role conception of «Global China», while navigating the frictions generated by external and internal expectations. A central claim of this article has been that Asia was not merely the main theatre of Xi's diplomacy, but the space in which China's global role was most visibly relocated and tested. Neighbourhood diplomacy functioned simultaneously as a platform for regional stabilisation and integration, a lever for managing economic turbulence generated by Trump's tariff politics, and a site where China's desired global role encountered both acceptance and persistent pushback, most starkly in the South China Sea. In this sense, 2025 underscored a core tension at the heart of «Global China»: the ambition to act as an anchor of stability and a convening centre for the non-Western world, alongside the reality that the neighbourhood remains the primary arena in which that role is most directly shaped and challenged. The analysis has shown that China's global role-making in 2025 operated through a layered self-identification of «Global China» as a reformer of global governance, a provider of «solutions» for the Global South and to global uncertainty, and a responsible and moral stakeholder committed to global stability, free trade and development. This multilayered role identity particularly emerges from the alter-casting of the United States as an increasingly destabilising force within the international system and Japan as an adversarial, assertive Other.

Looking ahead to 2026, and particularly the implementation of the 15th Five-Year Plan, it appears that «the next five years will see China opening its doors even wider» [Ministry of Foreign Affairs of the PRC 2025, 25 October]. Special emphasis is placed on shaping a «new model» of interaction with the United States, deepening the comprehensive strategic partnership with Russia, sustaining relations with Europe, and strengthening the construction of a «community with a shared future» with neighbouring countries as a long-term priority, especially in light of China's role as host of APEC 2026. These engagements, however, will unfold under the shadow of near-term domestic benchmarks – above all 2027, a milestone for the People's Liberation Army's modernisation and a politically consequential year in the run-up to the Communist Party's 21st Party Congress, which will shape elite turnover and may raise the prospect of an unprecedented fourth term for Xi Jinping. The same horizon looms large for the modernisation of education, by which China aims to have built a high-quality education system in which loyalty to the Party, as the new year's high-level disciplinary investigations within the military and state apparatus suggest, is likely to be valued no less than professional competence. In this sense, China's self-characterisation as a strong technological, talent, cultural and moral power is poised to become a key driver of its global role-making in 2026, as the international system enters a phase of heightened geopolitical disorder – from the Middle East crisis around Iran to Venezuela – alongside an increasingly contested U.S. global role. If 2025 marked the moment in

which «Global China» crystallised both as an analytical category and a geopolitical reality, the years ahead will constitute a critical test of its credibility and sustainability, ultimately hinging on Beijing's ability to deliver exemplary governance at home.

Bibliography

Berridge, Geoff R., 2022, *Diplomacy: Theory and Practice*, London: Palgrave Macmillan.

Cabestan, Jean-Pierre, 2012, 'China's new diplomacy: old wine in a new bottle?', in Shaun Breslin (ed.), *A Handbook of China's International Relations*, London: Routledge, pp. 1-10.

Callahan, William A., 2009, *China: The Pessoptimist Nation*, Oxford: Oxford University Press.

Cash, Joe, & David Latona, 2025, 11 April, 'China, EU must oppose tariff «bullying», Xi tells Spanish PM', Reuters.

Central Government PRC, 2025, 29 August, '弘扬伟大抗战精神，总书记这样身体力行' (Promoting the Great Spirit of the War of Resistance: The General Secretary Leads by Example), Central People's Government of the People's Republic of China, 2025, 29 August (https://www.gov.cn/yaowen/liebiao/202508/content_7038178.htm).

Chang-Liao, Nien-chung, 2016, 'China's New Foreign Policy under Xi Jinping', *Asian Security*, 12(2), pp. 82-91.

China's Diplomacy in the New Era, 2025, *Diplomatic Timeline*.

'China Surges Ahead: Travel & Tourism Sector Forecast to Hit a Record ¥13.7TN This Year', World Travel & Tourism Council 2025, 30 April.

CGTN, 2025, 8 February, 'Asian leaders gather in Harbin for 2025 Asian Winter Games opening ceremony, stress regional cooperation'.

'Connecting with the World: «Study at CAFA» Witnesses the Launch of the "Global Study Tour Alliance" Initiative', CAFA 2025.

Gan, Nectar, Simone McCarthy, Brad Lendon, Jessie Yeung, Catherine Nicholls and Lauren Kent, 2025, 3 September, 'China showcases military strength at parade as Xi stands alongside Putin and Kim', CNN.

Garver, John W., 2016, *China's Quest: The History of the Foreign Relations of the People's Republic of China*, Oxford: Oxford University Press.

'Global Innovation Index 2025', World Intellectual Property Organization (WIPO) 2025.

'Global Research Pulse: China', Springer Nature 2024.

'Global Soft Power Index 2025', Brand Finance.

Glosny, Michael A., 2010, 'China and the BRICS: a real but limited partnership in a unipolar world', *Polity*, 42(1), pp. 100-129.

Goldstein, Avery, 2020, 'China's Grand Strategy under Xi Jinping: Reassurance, Reform, and Resistance', *International Security*, 45(1), pp. 164-201.

Groenewegen-Lau, Jeroen, & Antonia Hmaidi, 2024, *Where China Stands in the Global Race for Talent*, MERICS and Hinrich Foundation Limited

Guarascio, Francesco, Khanh Vu and Phuong Nguyen, 2025, 14 April, 'China, Vietnam sign deals as Xi visits Hanoi amid US tariff tensions', Reuters.
Harnisch, Sebastian, Sebastian Bersick & Jörg Gottwald, 2015, *China's International Roles: Challenging or Supporting International Order?*, London: Routledge.
Holsti, Kalevi J., 1970, 'National role conceptions in the study of foreign policy', *International Studies Quarterly*, 14(3), pp. 233-309.
'How China engages a challenging world in 2025', *Qiushi*, 2026, 4 January.
Jalali, Ujwal, 2026, 1 January, 'No China role in truce with Pak, says India as opposition targets govt', Tribune News Service.
Kano, Shintaro, 2025, 3 February, 'Asian Winter Games Harbin 2025: Preview and full schedule', *Olympics.com*.
Lee, Liz & Shi Bu, 2025, 25 November, 'Trump's trade war with China in 2025', *Reuters*.
Liang, Annabelle, 2025, 15 April, 'China's Xi urges Vietnam to oppose «bullying» as Trump mulls more tariffs', *BBC News*.
Men, Honghua, 2014, 'China's national identity in transition: domestic and international perspectives (1982-2012)', Social Sciences in China, 35(2), pp. 189-207.
Ministry of Foreign Affairs of Malaysia, 2025, 17 April, *Joint Statement Between the People's Republic of China and Malaysia on Building a High-level Strategic Malaysia-China Community with a Shared Future*.
Ministry of Foreign Affairs of the PRC, 2025, 23 April, *Remarks by H.E. Xi Jinping, President of thePeople's Republic of China, at the Leaders Meeting on Climate and the Just Transition*.
Ministry of Foreign Affairs of the PRC, 2023, 30 November, *Position Paper of the People's Republic of China on Resolving the Palestinian-Israeli Conflict*.
Ministry of Foreign Affairs of the PRC, 2025, 17 February, *A Steadfast Constructive Force in a Changing World: Wang Yi—China Serves as a Staunch Force for Stability in a Turbulent World*.
Ministry of Foreign Affairs of the PRC, 2025, 28 March, *President Xi Jinping Meets with Representatives of the International Business Community*.
Ministry of Foreign Affairs of the PRC, 2025, 9 April, *The Central Conference on Work Related to Neighboring Countries Held in Beijing: Xi Jinping Delivers Important Speech*.
Ministry of Foreign Affairs of the PRC, 2025, 24 April, *Xi Jinping Holds Talks with Kenyan President William Ruto*.
Ministry of Foreign Affairs of the PRC, 2025, 27 April, *Wang Yi Has a Phone Call with Pakistani Deputy Prime Minister and Foreign Minister Mohammad Ishaq Dar.*
Ministry of Foreign Affairs of the PRC, 2025, 30 April, *The Session for Ministers of Foreign Affairs / International Relations from BRICS Members and Partner Countries Held in Rio de Janeiro*.
Ministry of Foreign Affairs of the PRC, 2025, 14 May, *Wang Yi on Five Programs for the China-LAC Community with a Shared Future and Implementation Measures*.
Ministry of Foreign Affairs of the PRC, 2025a, 11 June, *List of the Outcomes of the Implementation of the Follow-up Actions of the Beijing Summit of the Forum on China-Africa Cooperation*.
Ministry of Foreign Affairs of the PRC, 2025b, 11 June, *China-Africa Changsha Declaration on Upholding Solidarity and Cooperation of the Global South*.
Ministry of Foreign Affairs of the PRC, 2025, 17 June, *Xi Jinping Attends the Second China-Central Asia Summit and Delivers a Keynote Speech*.

Ministry of Foreign Affairs of the PRC, 2025, 14 July, *Wang Yi Holds Talks with Indian External Affairs Minister Subrahmanyam Jaishankar*.
Ministry of Foreign Affairs of the PRC, 2025a, 1 September, *Concept Paper on the Global Governance Initiative*.
Ministry of Foreign Affairs of the PRC, 2025b, 1 September, *The Global Governance Initiative Comes at the Right Time, Points the Way Forward, and Demonstrates Responsibility*.
Ministry of Foreign Affairs of the PRC, 2025, 16 October, '深刻领会全球治理倡议 重大历史意义 为构建人类命运共同体凝聚磅礴合力' (Deeply understand the great historical significance of the Global Governance Initiative and gather majestic synergy for building a community with a shared future for mankind), Ministry of Foreign Affairs of the People's Republic of China, 2025, 16 October (https://www.mfa.gov.cn/web/wjbz_673089/zyjh_673099/202510/t20251016_11734399.shtml).
Ministry of Foreign Affairs of the PRC, 2025, 20 October, *International Organization for Mediation Officially Inaugurated*.
Ministry of Foreign Affairs of the PRC, 2025, 25 October, *A New Blueprint for the 15th Five-Year Plan Period. A New Journey for Chinese Modernization*.
Ministry of Foreign Affairs of the PRC, 2025, 27 November, *China's Arms Control, Disarmament, and Nonproliferation in the New Era*.
Ministry of Foreign Affairs of the PRC, 2025, 30 December, *Wang Yi Attends the Symposium on the International Situation and China's Foreign Relations and Delivers a Keynote Speech*.
Patton, Susannah, and Jack Sato, 2025, 'Asia Power Index 2025: Key Findings Report', Lowy Institute.
Pelaggi, Stefano, 2025, 'China's Foreign Policy 2024: Strategic assertiveness and diplomatic adaptation', *Asia Maior*, XXXIV/2024, pp. 27-52.
Permanent Mission of the PRC to the UN, 2025, 9 December, *Joint Statement on the Launch of the Group of Friends of Global Governance*.
QS Top Universities, 2025, *QS World University Rankings 2025*.
Reuters, 2025, 26 June, 'India says defence gathering in China unable to adopt joint statement'.
Sciorati, Giulia, 2024, 'China in 2023: a «Global-Security-attentive» Foreign Policy', *Asia Maior*, XXXIV/2023, pp. 23-37.
Shambaugh, David, 2013, *China goes Global: The Partial Power*, Oxford: Oxford University Press.
Silver, Laura, Laura Clancy, Jonathan Schulman, William Miner and Christine Huang, 2025, 15 July, *International Views of China Turn Slightly More Positive*, Pew Research Center.
Smith, Steve N., 2021, 'China's «Major Country Diplomacy»: Legitimation and foreign policy change', *Foreign Policy Analysis*, 17(2).
State Council Information Office of the PRC, 2025, 13 April, *Xi Jinping and His "Ironclad Friends" from Cambodia*.
State Council Information Office of the PRC, 2025, 7 May, *Full Text of Xi's Signed Article in Russian Media*.
State Council Information Office of the PRC, 2025, 18 August, *Humanoid Robot Games in China Spotlight Global Tech Innovation*.
State Council Information Office of the PRC, 2025, 30 December, *Top 10 China News Events of 2025*.

State Council of the PRC, 2021, 29 September, *Xi Calls for Accelerating the Building of a World Center for Talent and Innovation*.
State Council of the PRC, 2025, 20 January, *China Unveils Blueprint for Building a Strong Education System by 2035*.
State Council of the PRC, 2025, 2 February, *Harbin Embracing the 9th Asian Winter Games with Mass Participation*.
State Council of the PRC, 2025, 7 February, *Xi Says Harbin to Deliver a Great Sports Gala for the World*.
State Council of the PRC, 2025a, 14 April, *Xi's Southeast Asia Tour to Cement Neighborly Bonds and Bolster Regional Cooperation*.
State Council of the PRC, 2025b 14 April, *Xi Calls on China and Vietnam to Oppose Unilateral Bullying*.
State Council of the PRC, 2025, 18 April, *China and Cambodia Agree to Build an All-Weather Community with a Shared Future in the New Era*.
State Council of the PRC, 2025, 29 April, *Xi Visits the New Development Bank*.
State Council of the PRC, 2025, 10 May, *Xi Says China to Firmly Support Venezuela in Safeguarding Sovereignty and Social Stability*.
State Council of the PRC, 2025, 1 September, *Full Text of Xi Jinping's Speech at the «Shanghai Cooperation Organization Plus» Meeting*.
State Council of the PRC, 2025, 3 September, *China Holds Massive V-Day Parade, Pledging Peaceful Development*.
State Council of the PRC, 2025, 13 October, *Full Text of Chinese President Xi Jinping's Keynote Address at the Opening Ceremony of the Global Leaders' Meeting on Women*.
State Council of the PRC, 2025, 24 October, *Full Text: Address by Chinese President Xi Jinping at the «BRICS Plus» Leaders' Dialogue*.
State Council of the PRC, 2025, 31 October, *Full Text of Chinese President Xi Jinping's Written Speech at the APEC CEO Summit*.
State Council of the PRC, 2025, 31 December, *Full Text: Chinese President Xi Jinping's 2026 New Year Message*.
Strina, Veronica, 2025, *China's Global Role through cultural diplomacy: a study of Confucius Institutes*, PhD dissertation, University for Foreigners of Perugia.
Stryker, Sheldon, & Ann Statham, 1985, 'Symbolic interaction and role theory', in Gardner Lindzey & Elliot Aronson (eds.), *Handbook of Social Psychology*, Vol. I, 3rd ed., New York: Random House, pp. 311-378.
Sullivan, Jonathan, & Weibo Wang, 2022, 'China's «Wolf Warrior Diplomacy»: The Interaction of Formal Diplomacy and Cyber-Nationalism', *Journal of Current Chinese Affairs*, 52(1), pp. 68-88.
Swaine, Michael, 2010, 'China's Assertive Behavior, Part One: On «Core Interests»', *China Leadership Monitor*, 34, pp. 1-25.
Thies, Cameron G., 2010, 'Role Theory and Foreign Policy', in R. Denemark (ed.), *International Studies Encyclopedia*, London: Blackwell, pp. 6335-6356.
Thies, Cameron G., & Marijke Breuning, 2012, 'Integrating foreign policy analysis and international relations through role theory', *Foreign Policy Analysis*, 8(1), pp. 1-4.
United Nations Peacekeeping, 2025a, 'How we are funded'.
United Nations Peacekeeping, 2025b, 'Troop and Police contributors'.
von Essen, Hugo, 2025, 15 April, 'Joint military exercises signal deepening Russia-China strategic alignment', MERICS.
Wehner, Leslie E., 2020, 'The Narration of Roles in Foreign Policy Analysis', *Journal of International Relations and Development*, 23(2), pp. 359-384.

Wulzer, Paolo, Alessandro Albanese Ginammi, Alessandro Leonardi & Veronica Strina, 2025, 'Xiplomacy: sogno cinese e politica estera della Cina di Xi Jinping (2012-2024)', in Andrea Carteny (ed.), *Competizione globale, conflitti regionali e crisi politiche. Europa orientale, Medio Oriente e Indo-Pacifico*, Pesaro: Intra, pp. 279-303.

Xi, Jinping, 2025, 7 February, 'Remarks by H.E. Xi Jinping President of the People's Republic of China at the Welcoming Banquet of the Opening Ceremony of the Ninth Asian Winter Games Harbin', Ministry of Foreign Affairs of the PRC.

Zhang, Shenghua, 2025, 8 July, 'China's new nationalistic diplomacy wins over Southeast Asia', *East Asia Forum*.

Zhou, Laura, 2025, 26 August, 'China protests to Japan over reports it asked foreign leaders to skip Victory Day parade', *South China Morning Post*.

Korean peninsula 2025: Political transition and strategic consolidation*

Marco Milani and *Antonio Fiori*

University of Bologna
marco.milani6@unibo.it

University of Bologna
antonio.fiori@unibo.it

The year 2025 marked a phase of transition and strategic recalibration on the Korean peninsula, shaped by institutional crisis in the South, political consolidation in the North and shifting regional alignments. In South Korea, the confirmation of President Yoon Suk-yeol's impeachment in April formally closed the constitutional crisis triggered by the declaration of martial law in December 2024. The subsequent presidential election in June brought Lee Jae-myung to power, inaugurating a new political cycle characterized by attempts to restore institutional stability, pursue judicial accountability and relaunch economic growth amid persistent polarization. In North Korea, 2025 was less a year of policy innovation than one of consolidation. The leadership focused on reinforcing elite discipline and advancing military modernization in preparation for the 9th Congress of the Workers' Party.
Inter-Korean relations reflected both continuity and recalibration. The first half of the year followed the established pattern of deterrence and missile activity, while after June Seoul attempted cautious de-escalatory measures and renewed proposals for phased denuclearization, which was met with limited reciprocity from Pyongyang. Internationally, North Korea deepened its strategic partnership with Russia while also trying to diversify its diplomatic efforts. South Korea sought to rebuild diplomatic credibility and manage alliance relations in an increasingly fragmented geopolitical environment, after Trump's election.

Keywords – South Korea; North Korea; Lee Jae-myung; Yoon Suk-yeol; impeachment; martial law; Workers' Party of Korea; inter-Korean relations; North Korea missile tests; Russia-North Korea relations; China-North Korea relations; US-South Korea relations.

1. *Introduction*

The year 2025 marked a decisive moment of transition on the Korean peninsula, following the dramatic upheavals that had characterized the final

* This article is the outcome of a joint research effort of the two authors. More specifically, however, Marco Milani wrote sections 1; 2.1; 2.2; 2.3, 3.1 and 3.2, Antonio Fiori wrote sections 2.4; 4.1; 4.2; 4.3; 4.4 and 5.

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

weeks of 2024. If the previous year had culminated in the declaration of martial law by South Korean President Yoon Suk-yeol and his subsequent impeachment, 2025 unfolded as a year of institutional reckoning, electoral realignment and strategic recalibration. Rather than representing a complete rupture with the recent past, however, the developments of the year revealed the resilience of structural tensions that had been building over several years, both within South Korea and in the broader regional environment.

In South Korea, the first months of 2025 were dominated by the judicial and political consequences of the martial law. The arrest, indictment and confirmation of Yoon's impeachment by the Constitutional Court in April constituted one of the most severe stress tests for the country's democratic system since 1987. While institutions ultimately functioned within constitutional boundaries, the crisis exposed the depth of political polarization. The following presidential election held in June brought the progressive candidate Lee Jae-myung to power, opening a new political cycle. His victory did not signal the end of partisan confrontation, with the strong performance of the conservative candidate demonstrating the persistence of a deeply divided electorate. Instead, it initiated a phase of cautious normalization, in which efforts to restore administrative continuity, reinforce institutional legitimacy and stimulate economic growth coexisted with ongoing judicial proceedings related to the previous administration.

While South Korea underwent a turbulent political transition, North Korea experienced a year of internal consolidation. The leadership focused on reinforcing elite discipline and improving bureaucratic efficiency in preparation for the 9th Congress of the Workers' Party. Legislative sessions and party meetings emphasized implementation, accountability and modernization under conditions of prolonged sanctions and structural economic constraints. Technological setbacks, such as the highly publicized accident during the launch of a new naval destroyer, were reframed as failures of discipline rather than systemic weakness, reinforcing a governance model in which performance legitimacy and centralized authority remain tightly intertwined.

Inter-Korean relations reflected this broader pattern of continuity and recalibration. The first half of the year remained embedded in the confrontational dynamic consolidated since 2022, characterized by North Korean missile tests and the absence of meaningful dialogue. Following Lee's election, Seoul attempted to alter the tone of the relationship through de-escalatory gestures, such as the suspension of border propaganda measures and the articulation of several proposals to restart dialogue. Pyongyang, however, largely maintained its «two hostile states» posture introduced in 2023, limiting the impact of Seoul's openings.

Beyond the peninsula, 2025 was equally shaped by shifting international alignments. North Korea deepened its strategic partnership with Rus-

sia, transforming the comprehensive agreement signed in 2024 into tangible military cooperation and embedding itself more directly in Moscow's war strategy. At the same time, Pyongyang sought to balance this alignment by revitalizing ties with China and regional partners. South Korea, after months of diplomatic paralysis during the constitutional crisis, gradually reactivated its foreign policy under Lee, prioritizing alliance management with the United States, but also stabilizing relations with Japan and carefully recalibrating its approach toward China in an increasingly complex global environment

2. *Domestic politics*

2.1. *The aftermath of martial law and the confirmation of the impeachment*

The constitutional crisis in which South Korea plunged after the declaration of martial law by President Yoon Suk-yeol on 3 December 2024 continued to strongly influence the following months. While the immediate and more problematic consequences had been contained within a few hours, by the vote of National Assembly rejecting martial law, the political and judicial consequences of that decision continued to unfold in the first months of 2025. The sentiment of national unity and bipartisanship that had characterized the first protests quickly evaporated in the following weeks, with a return to the strong political polarization that had characterized the months before the 3 December declaration and that had been one of its root causes. In this context, between early January and the Constitutional Court's final ruling on Yoon's impeachment on 4 April, the country experienced one of the most severe stress tests of its democratic system since the transition of 1987, marked by a deepening polarization within society and a prolonged confrontation not only between different political factions, but also among state institutions, with the unprecedented arrest and indictment of a sitting president for insurrection.

At the beginning of 2025, South Korea found itself with a dangerous political vacuum at the centre of its institutional system: Finance Minister and Deputy Prime Minister Choi Sang-mok became acting president, following first Yoon's impeachment and then that of Prime Minister and acting President Han Duck-soo voted by the National Assembly on 27 December [Milani and Fiori 2024]. This rapid succession of interim leaders underscored the institutional fragility produced by the martial law declaration and left the country without a clear and legitimate political leadership in a time of great tension and confusion, both domestically and internationally.

After the first failed attempt to take Yoon Suk-yeol into custody by police and investigators from the Corruption Investigation Office (CIO), due to the intervention of the presidential security service and of groups of supporters gathered near his residence, the authorities reorganized their

strategy and on 15 January Yoon was finally taken into custody without major clashes and brought to a detention facility for questioning [Yim and Park 2025, 15 January]. The standoff that lasted for several days between police authorities and the presidential security service was unprecedented in contemporary Korea and clearly epitomized the potential and dangerous tension existing between state institutions. In addition, rival demonstrations of protesters against and in favour of Yoon took place in Seoul for several days, while more than thirty lawmakers from the conservative People Power Party (PPP) denounced the CIO's actions as illegitimate [Lim 2025, 16 January]. The first weeks of the new year thus showed that the crisis was not over and that it continued to affect several different aspects and layers of the socio-political environment, ranging from people's support to state institutions and party-political dynamics.

After his arrest, Yoon refused to cooperate with the investigation, denouncing it as illegal and politically motivated. Two days later, the CIO sought a formal arrest warrant on charges of insurrection and abuse of power, citing the gravity of the alleged attempt to overturn constitutional order and the risk of recurrence [Heo 2025, 18 January]. At the hearing to confirm his arrest, Yoon continued to proclaim his innocence, while several thousand of his supporters demonstrated outside the courthouse. On 19 January, a court confirmed the arrest on insurrection charges, marking the first time in the country's democratic history that a sitting president was detained on such accusations. Violent incidents caused by some of his supporters outside the court, including attempts to storm the building, further demonstrated the dangerous and inflamed political climate [Shin 2025, 20 January].

The judicial process continued to evolve rapidly. On 26 January, prosecutors formally indicted Yoon for insurrection, after the CIO passed the case to the state prosecution, alongside former Minister of Defence Kim Yong-hyun and several senior military and police officials [Kim 2025, 26 January]. From the judicial perspective, the official indictment transformed the constitutional crisis into criminal proceedings with relevant political implications.

In early March, a Seoul court ordered Yoon's release from jail, citing procedural violations in the handling of his arrest. The prosecution declined to appeal and Yoon was released on 8 March, though the charges against him remained in place. His release was celebrated by his supporters and strongly criticized by his opponents, leading to a new wave of demonstrations with thousands of participants in mid-March [Kim 2025, 8 March].

In the meantime, political and judicial accountability were proceeding on parallel and partially independent tracks. While the criminal proceedings advanced, the Constitutional Court deliberated on the impeachment motion approved by the National Assembly in December. Hearings began in mid-January but were initially hampered by Yoon's absence, as he avoid-

ed appearing in person for fear of being arrested. Over the following weeks, the Court heard testimony from key officials, including Prime Minister Han Duck-soo on 20 February, who stated that members of government, including himself, had attempted to stop Yoon from declaring martial law [Lee 2025, 20 February]. This testimony contradicted the narrative advanced by some of Yoon's allies, that was aimed at sharing the responsibility among several members of the cabinet in order to have it considered as a collegial decision in line with constitutional procedures, and reinforced the perception that the decision had been taken by Yoon himself or within a narrow circle, but without broad institutional backing.

The composition of the Constitutional Court itself became a matter of political contention. The acting President Choi Sang-mok delayed the appointment of a ninth justice nominated by the National Assembly, prompting opposition parties to file impeachment motions against him as well [Son 2025, 21 March]. This standoff over the appointment reflected the opposition anxieties about the outcome of the impeachment process, which needed at least six votes in favour to be confirmed, but it also showed that the continued use or threat of use of the instrument of impeachment by the legislative power, seen as instrumental to political purposes, concurred in heightening institutional conflict and public distrust towards state institutions. On 24 March, the Court overturned Han Duck-soo's impeachment in a 7-1 decision, reinstating him as prime minister and acting president [Lee and Park 2025, 24 March]. This ruling temporarily stabilized the interim executive, but tension remained high.

On 4 April, after weeks of deliberation, and amid large but mostly peaceful demonstrations both for and against the president, the Constitutional Court unanimously upheld Yoon Suk-yeol's impeachment and confirmed his removal from office. The ruling emphasized that the declaration of martial law had constituted a grave violation of constitutional principles and could not be justified by the circumstances cited by the president [Park 2025, 4 April]. Notably, the announcement did not trigger significant violence, despite fears of unrest and a massive deployment of police forces in Seoul. Yoon issued a brief message apologizing to the public but avoided direct acknowledgment of the Court's decision.

The months between January and early April 2025 confirmed once more the depth of South Korea's political polarization and the internal deficiencies of its institutional system, but also the resilience of its democracy. Institutional procedures, though contested and in some cases politicized, continued to function, even in extreme situations such as the arrest and indictment of a president for insurrection. At the same time, however, the crisis exacerbated pre-existing divisions. Supporters of Yoon framed the judicial proceedings as an attempt by «anti-state forces» to eliminate a conservative leader, echoing the rhetoric already presented in December 2024 by the former president. Progressives, conversely, portrayed the impeach-

ment as a necessary defence of constitutional democracy against the authoritarian attempt of an aspiring dictator.

The confirmation of the impeachment on 4 April did not put an end to the domestic political tension, but it marked the formal end of Yoon's presidency and of the political crisis that his declaration of martial law had triggered, setting in motion the process of electoral competition that would bring the country back to a situation of normality.

2.2. *The presidential campaign and the June 2025 elections*

The confirmation of Yoon Suk-yeol's impeachment by the Constitutional Court immediately shifted South Korea from a phase of emergency to one of electoral mobilization. On 8 April, the government called presidential elections for 3 June, triggering a compressed but highly consequential electoral campaign [Lee 2025, 8 April]. While the impeachment verdict formally closed the institutional crisis, it did not resolve the deep political cleavages that had preceded and accompanied it. In this context, the presidential race became the new arena for the different political camps to confront each other.

The Democratic Party (DP), strengthened by the Constitutional Court's unanimous ruling, moved quickly to consolidate its position. Lee Jae-myung resigned as party leader on 9 April to focus on his campaign and, despite the presence of other contenders in the primaries, won the nomination on 27 April with an overwhelming 89.77% of the vote [Goh 2025, 28 April]. The result underscored both the degree of internal cohesion in the progressive front and the unchallenged leadership position of Lee Jae-myung within it. The long months of confrontation with Yoon's administration and the impeachment had strengthened Lee's grip on the party, marginalizing internal critics and reinforcing the perception that he represented the only alternative to the conservatives. Considering the very poor state in which the martial law crisis had left the PPP, he immediately became the frontrunner.

Despite the fast consolidation as the main presidential contender, Lee had also to face some major obstacles related to his judicial problems. On 1 May, the Supreme Court overturned Lee Jae-myung's acquittal for electoral fraud, in a case related to the 2022 campaign, and ordered a retrial, raising questions about his eligibility and casting a shadow over his campaign [Kim 2025, 1 May]. In a decision widely interpreted as aimed at preventing judicial interference in the electoral process, the Seoul High Court postponed the first hearing for the new trial to 18 June, after the election [Bang and Kim 2025, 7 May]. While Lee denounced the timing of the ruling as politically sensitive, the postponement allowed his campaign to proceed without major disruption.

If the progressive camp entered the race with relative unity and strength, the conservative People Power Party (PPP) faced a far more turbulent process. Yoon's impeachment had left the party divided between those

who had supported his removal and those who continued to defend his actions. Several prominent figures entered the primary contest, including former Minister of Labour Kim Moon-soo, former party leader Han Dong-hoon, and two other relevant political figures: Ahn Cheol-soo – a moderate centrist who supported Yoon in 2022 – and Hong Joon-pyo – the very conservative mayor of Daegu and former presidential candidate in 2017 [Jung 2025, 22 April]. The multi-stage primary process gradually narrowed down the number of candidates to two and on 3 May Kim Moon-soo was selected as the official PPP candidate, with 56.5% of the vote against Han Dong-hoon's 43.5% [Shin 2025, 5 May].

However, the conclusion of the primary did not mean the end of the selection process for the conservatives. Between the end of April and early May, speculations grew about the possible candidacy of Han Duck-soo, who announced his own candidacy on 2 May, after resigning as prime minister and acting president the day before [Park 2025, 2 May]. This development represented a further blow to the stability of the country, since immediately after Han's decision the Vice Prime Minister Choi Sang-ok also resigned and the role of acting president was passed to the Minister of Education Lee Ju-ho [Lee 2025, 2 May].

With Han Duck-soo also in the race, negotiations to unify the conservative vote quickly followed, with intense discussions between Han and the officially nominated candidate Kim Moon-soo. The two politicians met several times in early May but were not able to agree on a merged candidacy or even on a road map towards unification. On 9 May, the PPP leadership, that in the previous days had shown very limited support for Kim Moon-soo, attempted to replace Kim with Han as the party's official nominee, leading to accusations of an internal «coup» and possible legal challenges. Ultimately, the following day, party members voted to confirm Kim Moon-soo as the candidate and Han Duck-soo withdrew from the race [Kim 2025, 11 May]. The episode clearly revealed the depth of factionalism within the conservative camp and the difficulties in rebuilding a coherent identity in the aftermath of Yoon's attempted coup.

The presidential campaign officially began on 12 May, with seven registered candidates, but in practice with three key figures: Lee Jae-myung for the Democratic Party, Kim Moon-soo for the PPP and Lee Jun-seok for the centrist Reform Party. From the beginning and throughout the campaign, opinion polls showed Lee Jae-myung with a significant margin over the other candidates [Kim 2025, 27 May]. His campaign emphasized «pragmatism», especially in foreign policy, a «normalization» of the country's situation with the return to economic growth and the strengthening of national unity after months of turmoil. His candidacy was presented as a clear break with Yoon Suk-yeol and his attempted coup and as a return to stability, institutional normalization and a clear political leadership for the country to navigate the complicated international situation. Lee also proposed a plan

for political reforms that could help reinforce the institutional system, such as two four-year terms for the president and the harmonization of the legislative and presidential electoral cycles [Maresca 2025, 28 May].

In the conservative front, Kim Moon-soo faced the difficult task of distancing himself from Yoon's controversial legacy without alienating the party's conservative base and the considerable number of supporters of the former president. His electoral approach combined criticism of the DP's excessive power in the National Assembly and the use of judicial activism for political purposes. In an attempt to broaden his appeal, Kim focused on economic issues, small business support and concerns over regulatory burdens. On 17 May, Yoon Suk-yeol formally left the party and declared his support for Kim, a move intended to reduce the symbolic weight of the former president on the campaign [Yang, Jang and Park 2025, 18 May]. Nevertheless, the shadow of martial law and impeachment remained a key issue in the public debate and the main liability for the conservative campaign. In order to improve his chances, Kim also tried unsuccessfully to convince the centrist candidate – and former leader of the PPP – Lee Jun-seok to merge the candidacies [Yi 2025, 20 May].

Despite expectations of a decisive progressive victory, the final weeks of the campaign suggested a more competitive race than early opinion polls had indicated. Even before the election day, early voting turnout reached the record level of 34.74% and this trend was confirmed with the final participation rate of 79.4%, the highest since 1997, reflecting the intensity of mobilization on both sides and the importance that the population attached to this election, after all the turmoil and instability caused by the martial law declaration [Lee 2025, 3 June]. The high level of voter turnout also signalled how the impeachment had not demobilized conservative voters but rather it had reinforced their sense of the importance of political participation.

The result on 3 June gave Lee Jae-myung a large victory, with 49.42% of the vote, Kim Moon-soo obtained 41.15%, while Lee Jun-seok 8.34% [NEC 2025]. Although Lee's victory was clear, the margin was narrower than what had been anticipated following the attempted coup and the impeachment process. The result thus confirmed that Yoon's vicissitudes had not fundamentally altered the underlying structure of partisan competition in the country, leaving the ideological cleavages and polarization largely intact, with the prospect of complicating the job of the newly elected president in his attempt of uniting the country.

2.3. *Lee Jae-myung's first months in office and the road to normalization*

Lee Jae-myung assumed the presidency on 4 June 2025 immediately after the certification of the election results, without the conventional transition period. His inaugural address was explicitly framed around the main points of his electoral campaign: pragmatism, economic recovery and national

unity, after months of institutional turmoil [Park 2025, 4 June]. The first months of Lee's presidency were inevitably defined by the political consequences of the martial law crisis, such as the need to restore a fully functioning government, the persistence of a deeply polarized system and the importance of reconstructing a clear foreign policy strategy.

From the outset, Lee's early moves reflected an awareness of institutional fragility and the need to mark discontinuity with his predecessor but also to keep the administrative process working. His campaign chief, Kim Min-seok, was nominated as prime minister, his close adviser Kang Hoon-sik as chief of staff, and the senior diplomat Wi Sung-lac as national security advisor, with the task of supervising foreign and security policies in the transition [Son 2025, 4 June]. Most of the ministers from the previous government were temporarily confirmed – with the exception of the justice minister because of his role in the martial law declaration – to ensure continuity in state affairs. This decision was aimed at reducing the risk of bureaucratic paralysis while also signalling that the new presidency would not move forward with indiscriminate purges of the state apparatus, in line with his ideas of pragmatism and national unity. In parallel, Lee established a policy planning committee that functioned as a sort of transition team in the first phase. The formation of the new government took place between the end of June and early July, with the nomination of all the ministers and the parliamentary confirmation of the appointed prime minister, with the abstentions of all the PPP members in the National Assembly [Chang 2025, 3 July].

Lee moved also to reassert his presidential authority over key institutional levers, with the decision to withdraw two Constitutional judges nominated by former acting President Han Duck-soo [Shin 2025, 6 June]. In addition, Lee reversed one of the most visible institutional decisions of Yoon's presidency: the relocation of the presidential residence, with the decision to move it back to the Blue House (*Cheong Wa Dae*) in late 2025 as a symbolic return to institutional normalcy [Kim 2025, 29 December].

The main focus of Lee's domestic politics in his first months in office centred on restoring trust and accountability towards the main institutions, after the martial law crisis, and on the normalization of the country's politics especially regarding the economy. Within days of his inauguration, the National Assembly approved a law to establish special prosecutors to investigate Yoon's attempt to subvert constitutional order, the corruption allegations involving the former first lady Kim Keon-hee and the controversy surrounding the death of a marine in 2023 and the alleged following cover-up [Park 2025, 9 June]. The appointment of independent special prosecutors was considered by progressives as a means to demonstrate that the crisis would be addressed through legal accountability, while for conservatives it was proof of political retaliation and weaponization of judicial institutions, with the result of further deepening polarization. Yoon refused to cooper-

ate with the special prosecutor, seen as politically motivated, leading to his re-arrest [Choe 2025, 9 July].

Beyond the judicial arena, Lee sought to define an economic and governance agenda under difficult conditions. The National Assembly approved an extra budget aimed at stimulating growth, while the conservative People Power Party boycotted the vote, another indicator that parliamentary behaviour remained shaped by total opposition with little room for compromise. At the same time, Lee's nominations in the government generated friction during confirmation hearings, with several nominees forced to withdraw amid controversies. The political situation thus remained tense, despite the efforts of Lee Jae-myung who tried to promote more bipartisan cooperation on key issues, such as economic growth.

The economic situation remained relatively fragile throughout 2025, especially in the second half of the year, due mostly to the external shock of US tariffs and to the reduction of domestic demand. The Bank of Korea revised growth prospects downward several times, from an estimate of 1.5% to 0.8%, reflecting weak domestic demand, a slowdown in export growth and difficulties in the construction sector [BOK 2025]. In response, the new administration relied mostly on expansionary fiscal measures, including the extra budget, aimed at stimulating growth and supporting households and small businesses. While some signs of recovery emerged toward the end of the year, leading to an actual growth rate of 1%, the overall economic performance confirmed the structural problems affecting South Korea's economy, with very strong sectors, like the export of semiconductors and high-tech items, but continuing difficulties in the domestic market, in particular regarding the construction sector [Borowiec 2026, 22 January].

The reshaping of party leadership also confirmed that polarization remained the central structural feature of South Korean politics. On the progressive side, the Democratic Party consolidated around Lee's figure and reorganized the parliamentary leadership accordingly, with the election of Jung Chung-rae on 2 August [Yoo 2025, 2 August]. On the conservative side, the PPP underwent a transition of leadership that favoured figures associated with Yoon and that opposed the impeachment, such as Jang Dong-hyeok who defeated Kim Moon-soo on 26 August and became the new party leader [Jang 2025, 27 August]; this development demonstrated that a confrontational stance toward the new administration was still prominent and that Yoon maintained a grip on the majority of the party. r

The control of the National Assembly by the Democratic Party gave the president the possibility to promote legislation on several aspects that were considered crucial. In September, the parliament approved a law to dismantle the Korea Communication Commission and to create a new agency to supervise these matters [Kim 2025, 27 September], while in November Lee presented the annual budget with a speech at the National Assembly, boycotted by the opposition, in which he proposed an increase of

8% in spending for investments in strategic industries, such as defence, AI and cultural contents [Hwang 2025, 4 November]. By the end of 2025, the picture was one of partial stabilization of the situation but it was very limited in terms of national reconciliation. Confrontation between the two main political fronts remained unaltered, as demonstrated by the good result of the conservatives at the June vote; at the same time, the approval rating of the new president remained very high throughout his first months in office [Kim 2025, 5 December], signalling that a return towards a normal course of domestic politics was well received by the public opinion.

2.4. *Stability before transition: North Korea's domestic recalibration in 2025*

In 2025, North Korea's domestic politics was marked by a process of institutional consolidation and strengthened elite discipline in preparation for the 9th Congress of the Workers' Party. The main meetings of the state and the party did not introduce radical ideological shifts, but instead emphasized implementation, administrative control and political accountability. In a context of persistent economic constraints and accelerated military modernization, the leadership increasingly fused economic governance, national security and systemic stability, presenting efficiency and organizational loyalty as the foundations of regime legitimacy.

On 22-23 January 2025, Mansudae Assembly Hall in Pyongyang hosted the 12th session of the 14th Supreme People's Assembly (SPA). Kim Jong Un did not participate or give a speech, despite the expectations of some watchers that he would comment on the return of Trump as US president. Delegates from the Workers' Party of Korea, the government, the armed forces and national institutions attended the session, which was held in conjunction with celebrations commemorating the 80th anniversaries of the party's founding and national liberation.

The assembly examined the cabinet performance in 2024 and delineated its duties for 2025, emphasizing the implementation of economic policies and development goals. Deputies adopted the state budget for 2025 and assessed how well the 2024 one was being implemented, paying special emphasis to investment goals meant to boost the economy and raise living standards [KCNA 2025, 24 January]. Organizational issues were also discussed, including committee allocations and SPA Standing Committee by-elections. Pak In Chol, chairman of the assembly, concluded by reiterating the deputies' dedication to the rebirth of the state under Kim Jong Un's direction and their position as the highest authority.

In advance of the Workers' Party of Korea's 9th Congress, the 13th session of the 14th SPA, which took place on 20-21 September 2025, signalled a change from affirmation to execution. The focus of the meeting was on improving governance capacity through legislation, administrative oversight and fixing implementation flaws. Deputies discussed sector-specific legislation and evaluated the enforcement of current rules, presenting

legal improvement as crucial for maintaining social order and managing the economy amid enduring limitations. The «20×10 Regional Development Policy», which intended to create industrial facilities in twenty counties annually over a ten-year period, was a major focus of domestic legislation [KCNA 2025a, 22 September]. The political significance of the meeting was increased by Kim Jong Un's arrival on the second day, when he gave a long speech. In addition to outlining policy priorities and providing a strategic assessment of conditions on and around the Korean Peninsula, he assessed recent social and economic changes. Kim emphasized the connection of economic management, political control and defence policy by connecting domestic governance to national security and external strategy. He also reaffirmed the fundamental concepts of independence, discipline and centralized leadership [KCNA 2025b, 22 September].

When combined, the 12th and 13th sessions showed how the regime's domestic governance objectives have changed over time, moving from institutional loyalty and symbolic affirmation to legislative consolidation and political signalling. Instead of adopting new policies, the later session strengthened continuity and regime stability by expanding the SPA's position as a forum for elite communication and policy enforcement.

One of the most remarkable events of the year took place on 21 May, when North Korea suffered a serious accident during the launch of a new large destroyer, with Kim Jong Un present at the ceremony [KCNA 2025, 22 May]. The stern of the ship entered the water before the bow, causing the hull to twist and partially capsize, because it had been launched sideways from a slipway, possibly because of the lack of a large enough floating dry dock. Images released soon after showed the vessel straddling the water and the slipway, indicating that a significant breakdown had occurred [Guinto 2025, 23 May]. The event brought attention to North Korea's naval modernization initiative. The DPRK started constructing two massive *Choe Hyon-class* surface combatants at Nampo and Chongjin in 2024. These vessels are believed to be the biggest warships the nation has ever attempted, weighing over 5,000 tons and measuring more than 140 metres. Although precise configurations are still unknown, the design is thought to incorporate vertical launch systems and a hefty missile loadout. Kim Jong Un was present when the lead ship, *Choe Hyon*, was launched at Nampo on 25 April 2025, following claims made by state media that construction had been finished in little over 400 days [KCNA 2025, 26 April].

In this context, the 21 May failure at Chongjin was particularly noteworthy as a politically sensitive and public defeat. North Korea swiftly launched a massive rescue effort with support ships. The damaged vessel, known as *Kang Kon*, was repaired and floating inside the harbour by the beginning of June. State media insisted that the hull plating was still intact while acknowledging water entry at the stern and scraping along the starboard side [KCNA 2025, 23 May]. The actual level of damage was unclear

because independent images did not show catastrophic hull rupture, but it did display apparent damage at the bow, including the sonar dome area and portions of the superstructure.

The political reaction came quickly. Kim Jong Un ordered repairs to be finished before an important meeting of the party's Central Committee in June, publicly framing the mishap as a breakdown in discipline and accountability rather than a technical malfunction. Simultaneously, the incident led to disciplinary actions. According to North Korean media, several officials, including the chief engineer, Ri Hyong Son, a vice department director in the party's Munitions Industry Department, and Hong Kil Ho, manager of Chongjin shipyard, were arrested in relation to the unsuccessful launch [KCNA 2025, 23 May; KCNA 2025, 26 May].

On 12 June, Kim Jong Un personally attended the vessel's renewed launch ceremony, marking the symbolic end to the episode [KCNA 2025, 13 June]. From an analytical standpoint, the sequence demonstrated how North Korea's military-industrial system recasts technological failure as an organizational and political problem. Under Kim Jong Un, the success of major projects is directly linked to the legitimacy of the regime, so failures are not a sign of technological limitations but rather of a lack of discipline or loyalty. A well-known authoritarian practice intended to maintain the power of the leadership centre is shown in the quick downward assignment of blame to shipyard managers, engineers and mid-level party officials. The staged recovery, with the second launch in the presence of the leader, and the public punishment of officials highlighted how elite control, discipline and performance-based legitimacy are linked to military modernization in the DPRK.

As North Korea was preparing for the expected strategic changes in 2026, the 12th plenary meeting of the 8th Central Committee of the party, which took place in June 2025, was a pivotal moment. The plenum was held at Mount Myohyang instead of Pyongyang, defying convention and highlighting increased worries about internal security as well as the leadership's need to examine state matters in a strictly regulated setting. Kim Jong Un oversaw a three-day evaluation of the first half of 2025's economic performance, with a special emphasis on the five-year plan that was introduced in 2021. In the face of sanctions and resource limitations, the leadership reiterated a push for the modernization of heavy industry, emphasizing technological advancement over straightforward output growth [KCNA 2025, 24 June]. The leadership presented a picture of controlled stability by the end of the meeting. The current five-year plan's last phase was characterized by an emphasis on modernization and self-reliance. The official announcement that the 9th Party Congress would take place in early 2026 was one of the session's main results. Apparently, this statement presented the plenum as a prelude to more extensive policy consolidation, such as establishing the nation's nuclear doctrine and institutionalizing the «two state» strategy on

the Korean peninsula. The Mount Myohyang plenum represented a significant turning point in North Korea's evolution from the survival-focused policies of the early 2020s to a more formalized and forceful governance model that is anticipated to take shape after 2026.

On 8 and 9 October, Kim Jong Un gave two significant addresses at a national gathering at the Party Founding Museum in honour of the Workers' Party of Korea's anniversary. He examined the Party's accomplishments since 1945 and evaluated his own performance from 2016 to 2025, paying close attention to the five-year defence and economic plans that were introduced following the 8th Party Congress in 2021. Kim acknowledged that living conditions and economic growth had fallen short of expectations while emphasizing advancements in nuclear, missile and conventional capabilities [KCNA 2025a, 10 October; KCNA 2025, 11 October].

Building on this analysis, Kim presented a new ten-year plan that would be codified in the upcoming 9th Party Congress. It called for the «comprehensive development of socialism» between 2026 and 2035 and described it as a «second era of nation-building». The plan seeks to make North Korea a powerful socialist state by 2035. It calls for quicker innovation and action while maintaining a strong foundation in popular mobilization and self-reliance under the sanctions regime. Economic self-sufficiency was reiterated as a fundamental principle. The «spirit of Kangwon Province» campaign, which portrayed Kangwon as an example of local development attained via party discipline, public mobilization and ideological commitment, was associated with this reinvigorated effort. In addition to supporting the «20×10 regional development policy», which was introduced in 2024, the campaign also strengthened Kim Jong Un's personal authority by directly linking regional achievement to his leadership.

These government initiatives, together with a noticeable expansion in trade and cooperation with Russia, led to an annual economic growth for North Korea of 3.7%, according to the estimates of South Korea's central bank, in 2024, the strongest increase in eight years [Sokolin and Kim 2025, 29 August]. In addition, North Korea's trade with China rebounded in 2025 to levels close to those seen before the pandemic, marking a 25% increase compared to the previous year [Sokolin 2026, 20 January].

During the plenary meeting on 9-11 December, the party discussed five topics on the agenda, most of which were related to domestic matters. The meeting evaluated the last year of the current five-year economic and defence plans and started preparations for the 9th Party Congress, including a new five-year economic plan for 2026-2030, after examining the execution of party and state policies for 2025. The official report stated that the strategy was «carried out», but it provided no information and made no mention of foreign policy [MacArthur Bosack 2025, 13 December]. Reiterating the concurrent growth of nuclear and conventional forces and depicting soldier deployments to the Russia-Ukraine war as a source of national

pride, the plenum praised advancements in economic building and military modernization. Prior to the Congress, Kim signalled harsher internal discipline by denouncing party officials for their ideological failings, carelessness and corruption. In addition, there were indications of limited reorganization within the Politburo, party departments, and the Central Military Commission, as well as the removal of one full and five alternate Central Committee members [The Pyongyang Times 2025, 13 December]. These actions were intended to address governance shortcomings and strengthen elite control prior to the 9th Congress.

3. *Inter-Korean relations*

3.1. *Persistent confrontation before the political transition*

The clear separation between the first and second part of the year, with the South Korean presidential elections in between, also strongly influenced relations between the two Koreas. The first half of 2025 did not bring any significant change to inter-Korean relations, which remained trapped in the confrontational dynamic consolidated during the previous years. The political crisis unfolding in South Korea after the declaration of martial law and the subsequent impeachment process prolonged this situation of stalemate for the lack of a clear political leadership in the South. The period between January and early June was characterized by continuity in military and rhetorical provocations and by the absence of meaningful diplomatic engagement.

The year opened with a familiar pattern. In early January, North Korea launched a medium-range ballistic missile, reportedly equipped with a hypersonic warhead, into the East Sea [Zwirko 2025, 7 January]. The test reaffirmed Pyongyang's determination to continue upgrading its missile capabilities, as part of a broader strategy of military technological advancement and pressure on the other regional actors.

Military provocations intensified again in March, when South Korea and the United States began the annual *Freedom Shield* joint exercises, strongly condemned by Pyongyang. North Korea responded by launching a series of short-range ballistic missiles into the Yellow Sea and issuing warnings about the risk of «nuclear war» on the peninsula [Han 2025, 24 March]. The exchange reproduced the well-established cycle of action and reaction, with large-scale exercises presented by Seoul and Washington as defensive, met with missile launches portrayed by Pyongyang as legitimate countermeasures.

At the same time, North Korea continued to emphasize qualitative improvements to its strategic capabilities. In early March, state media reported Kim Jong Un's inspection of a construction site for what was described as the regime's first nuclear-powered submarine [Choe 2025, 8 March]. While

independent verification remained limited, the announcement signalled the regime's ambition to enhance its second-strike capability and to diversify delivery platforms beyond land-based missiles.

In May, North Korea launched additional short-range missiles and a tactical ballistic missile under Kim Jong Un's supervision. A few weeks later, it carried out cruise missile tests in the East Sea [Park 2025, 22 May]. These actions were neither unprecedented nor technologically revolutionary, but confirmed the normalization of frequent missile activity as a tool of strategic pressure. Alongside missile launches, low-level border incidents and politically sensitive symbolic actions also contributed to maintaining a tense atmosphere. Activist groups in the South resumed the launch of propaganda leaflets toward the North in early May, prompting condemnation from both Pyongyang and, notably, from South Korean authorities concerned about possible escalation [Park 2025, 9 May].

In the months before the elections, inter-Korean relations were not at the centre of the political debate in South Korea. The absence of communication channels, due to the decision of North Korea of severing all the existing inter-Korean lines, reinforced a condition of stalemate. The presidential election on 3 June did not automatically alter the existing situation, but it introduced a new political variable in Seoul, connected to the different approach to inter-Korean relations of the newly elected president.

3.2. *A cautious reopening: Lee Jae-myung's attempt to restart inter-Korean relations*

Lee Jae-myung's election introduced a significant shift in tone and goals regarding inter-Korean relations. After three years marked by escalating military signalling and the gradual dismantling of confidence-building mechanisms under Yoon Suk-yeol, the new administration sought to reframe Seoul's approach toward Pyongyang, in line with the traditional priorities of South Korean progressives.

From the very beginning, Lee signalled that deterrence and dialogue should not be mutually exclusive. One of the first symbolic gestures came within days of his inauguration, when Lee ordered the suspension of propaganda loudspeaker broadcasts along the border; North Korea reciprocated by suspending its own broadcasts shortly thereafter [Kim 2025, 12 June]. The exchange did not represent a breakthrough, but it reintroduced a pattern of reciprocal de-escalation that had been totally absent in previous years. Shortly afterwards, South Korean military authorities proceeded to dismantle several loudspeakers installed along the demilitarized zone, reinforcing the signal that the new administration was willing to reduce tension with Pyongyang [Park 2025, 4 August].

Concurrently, Lee instructed the Ministry of Unification to take measures against the launch of propaganda leaflets by activist groups along the

border, through the deployment of police units and, later in the year, the approval of a law in the National Assembly granting authorities greater powers to intervene [Park 2025, 15 December]. These moves, although controversial domestically, served to eliminate possible sources of tension that could trigger North Korean retaliatory actions, but also to distance the new administration from the provocatory stance of the previous one that allegedly used inter-Korean crises to escalate tension as a motivation for the declaration of martial law. The new administration also revived the humanitarian channel as a low-risk avenue for engagement. In late June, the Ministry of Unification authorized several civic organizations to seek contact with North Korean counterparts for humanitarian purposes [Lee 2025, 25 June]. These steps were designed to signal that Seoul's approach towards North Korea was now open for dialogue and cooperation.

Lee's broader strategic vision was articulated more clearly in mid-August, during his speech for Liberation Day. In contrast to the hard-line rhetoric of the previous administration, Lee reaffirmed that the South would not pursue unification by absorption and expressed willingness to restore elements of the 2018 military agreements aimed at reducing tensions along the border [The Korea Herald 2025, 15 August]. A few days later, in an interview, he outlined a phased approach to denuclearization, proposing an initial freeze of North Korea's nuclear activities followed by gradual reduction measures in exchange for political and economic normalization [Kim 2025, 21 August]. In September, during his address at the United Nations General Assembly, Lee presented a more structured strategy called «END» (Exchange, Normalization and Denuclearization), aimed at resuming inter-Korean dialogue and exchanges, normalizing relations between the two Koreas – including addressing the issue of international sanctions – and a step-by-step approach to denuclearization, starting with a freeze in nuclear development [Lee 2025, 23 September].

Despite these openings, Pyongyang's reaction was generally negative and in line with the new «two states» position presented by the leader during the previous two years. The leader's powerful sister, Kim Yo Jong, issued several statements criticizing these initiatives and reiterating that Seoul was not considered as a partner for dialogue. She also added that a reopening of diplomacy with the United States, under the new Trump administration, would be possible only after a significant change in its hostile approach [Kim 2025, 29 July].

Military developments reinforced this stalemate, such as in the case of the *Freedom Edge* exercises that were partially postponed to September to reduce immediate tensions, but nevertheless were met by Pyongyang with strong condemnation [Park 2025, 15 September]. In a symbolic gesture to show that for North Korea the inter-Korean situation was not changed, a new set of loudspeakers was installed on the northern side of the border on 22 August [Kim 2025, 22 August].

In late October, North Korea resumed short-range missile tests for the first time in several months, followed by additional cruise missile launches. By December, further artillery drills and short-range ballistic launches confirmed that the North was not prepared to moderate its military posture in response to Seoul's openings. In addition, Kim Jong Un himself supervised the test of a new long-range surface-to-air missile on 24 December and the following day photos of him inspecting the completed hull of what was defined as a nuclear-powered submarine were released [Choe 2025, 25 December].

In this complicated situation, the new South Korean government continued to push for the establishment of channels of dialogue and confidence-building measures aimed at reducing military tension at the border, such as a clearer demarcation of the military demarcation line, through statements of the Minister of Unification Chung Dong-young, that, however, remained unanswered from the North Korean side.

An additional layer of tension emerged in January 2026 when Pyongyang accused South Korea of sending drones across the border and violating its airspace, in late 2025 and early 2026 [Kim 2026, 10 January]. While Seoul denied the involvement of the military or other government agencies and immediately opened an investigation, eventually identifying civilian actors behind the incidents, the episode highlighted the fragility of de-escalatory efforts in such a tense environment. Kim Yo Jong's statements on the issue oscillated between sharp condemnation and a cautious positive acknowledgement of Seoul's actions, pointing towards the possibility of a more malleable stance in the future [Jung 2026, 14 January].

The developments of the second half of the year demonstrated both the possibilities and the limits of policy recalibration. Lee Jae-myung's administration succeeded in altering the tone of inter-Korean relations, reducing potentially disrupting actions and reintroducing dialogue and cooperation in the inter-Korean vocabulary. However, North Korea's 2023 shift regarding relations with South Korea, with the launch of the «two hostile states» approach, continued to shape its posture on inter-Korean relations.

4. *International relations*

4.1. *War, reciprocity and strategic alignment: Pyongyang and Moscow in 2025*

In 2025, North Korea's foreign policy was dominated by the consolidation of its strategic alignment with Russia, transforming the comprehensive partnership agreement signed in June 2024 into a tangible military collaboration. What had initially appeared as diplomatic signalling and arms transfers evolved into direct operational involvement, with North Korean troops deployed alongside Russian forces. This shift marked a qualitative escalation in Pyongyang's external posture, embedding the regime more

deeply within Moscow's war strategy while simultaneously leveraging the conflict to advance its own military modernization, economic resilience and diplomatic positioning.

At the beginning of 2025, Ukrainian President Zelenskyy declared that two wounded North Korean soldiers were captured during fighting in the Russian Kursk border region, implicitly proving Pyongyang's direct involvement in the conflict [Vinograd 2025, 11 January]. The deployment of North Korean troops with Russian forces was first alluded to in late 2024 and then confirmed by many intelligence reports according to which North Korea had sent between 10,000 and 12,000 troops to support Russia's military effort [Kim 2024, 8 October; Ha 2024, 18 October; Garamone 2024, 4 November]. According to Ukrainian sources, these foreign forces were completely integrated under Russian command and occasionally even disguised themselves as Russian soldiers from ethnic minorities in order to evade discovery [Alpay 2025, 9 July]. Russian officials dismissed such allegations as «fake news» [TASS 2024, 10 October] while North Korea's leadership remained mute about the deployment. But the evidence grew over the course of the following few months. However, even after the capture of the two soldiers, Pyongyang stayed silent in public and the Kremlin declined to respond.

In mid-March, in the midst of negotiations for a truce in the conflict between Russia and Ukraine, North Korea's Foreign Minister Choe Son Hui received a Russian team led by Deputy Foreign Minister Andrey Rudenko [KCNA 2025a, 16 March]. The Russian politician also met separately with North Korean Vice Foreign Minister Kim Jong Gyu and they agreed on concrete steps to improve bilateral cooperation in accordance with their comprehensive strategic partnership treaty, which was signed in June 2024 [KCNA 2025b, 16 March]. Rudenko's trip to Pyongyang seemed to be a follow-up to the pact signed the previous year, which stipulated that both parties must support one another in the event of an attack.

The confirmation of what many had long suspected arrived on 26 April, when Russia's top general Valery Gerasimov commended the «courage and heroism» of North Korean «soldiers and officers» fighting alongside Russian troops to liberate «border areas of the Kursk Region» [Reka 2025, 26 April]. By then, it was evident that the rumours concerning the active participation of North Korean soldiers in the conflict were true. The troop deployment was finally confirmed also by Pyongyang two days later, when the Central Military Commission publicly praised the «heroic» volunteers in Russia [KCNA 2025, 28 April]. Kim Jong Un himself reiterated the formula of North Korean heroes who «fought for justice», adding that a monument honouring their achievements in Kursk would be erected in Pyongyang and commented that the forces' deployment was a «sacred mission aimed at strengthening friendship and solidarity» between the two nations [KCNA 2025, 28 April]. According to North Korean media, Russian

President Vladimir Putin also expressed gratitude to the Korean troops, saying that «the Russian people will never forget the feat of the Korean special forces fighters» who «gave their lives for Russia, for our common freedom» [KCNA 2025, 29 April]. The Russian president's comment, following North Korea's recognition, demonstrated the coordination of Pyongyang and Moscow remarks.

North Korea's involvement in the conflict in Ukraine seemed to be motivated by a combination of military expediency and political strategy. The chance for North Korea to obtain firsthand expertise in modern, high-tech warfare was a major driving force. The Korean People's Army lacks operational expertise because it has not engaged in a significant fight in more than seventy years. North Korean commanders could thus witness firsthand the use of advanced artillery, drone warfare and combined operations by deploying forces to a contemporary battlefield. North Korean military technology and weaponry were also tested in the fight. Pyongyang could also evaluate the performance of its equipment in actual combat situations and use battlefield feedback to improve domestic arms manufacture by supplying Russia with rockets and artillery shells and fighting alongside Russian forces.

Both strategic and material returns were essential to this collaboration. According to intelligence reports, North Korea's military assistance is a component of a larger exchange with Moscow. Presumably, in return, Russia has given vital supplies like food and gasoline, paid deployed soldiers and helped develop critical assets like ballistic missiles, air defences and submarines [Sneider 2025, 30 July]. Closer ties to Moscow also had diplomatic benefits, in addition to immediate military and economic dividends. Russia's veto power in the UN Security Council may support North Korea's aspirations for satellite and space technology while protecting it from additional sanctions. In the end, despite the considerable risks involved, Kim Jong Un considered that involvement in the war would hasten military modernization and bolster regime security.

However, according to several sources, the North Koreans had suffered significant losses early in the conflict due to their lack of armoured vehicles, unfamiliarity with drone warfare, unpreparedness for modern warfare and a lack of coordination with Russian troops on the battlefield, particularly because of the language barrier, which led to several cases of «friendly fire» [Fenbert 2024, 14 December]. The estimation of casualties among North Korean military fighting for Russia has been varied. In January 2025, South Korea's National Intelligence Service (NIS) reported that over 2,700 North Korean soldiers had been injured and 300 had died in battle; Ukrainians reported that 4,000 had been killed or injured, while the United States put the number closer to 1,200 [Jo 2025, 13 January; Zadorozhnyy 2025, 9 January; VOA 2025, 12 January].

At the end of April, following months of preparatory work, North Korea and Russia began building a new bridge across the Tumen River.

Mikhail Mishustin, the prime minister of Russia, joined the groundbreaking event via video and referred to the bridge's construction as a «significant milestone» in relations between North Korea and Russia [Russian Government 2025, 30 April]. The new bridge would serve as a «grand symbol of the everlasting friendship and cooperation» between North Korea and Russia, according to North Korean Prime Minister Pak Thae Song, who also attended the event via video [KCNA 2025, 1 May].

In June, Russia's Security Council Secretary Sergei Shoigu visited Pyongyang twice in less than two weeks, presumably aiming at securing additional troop deployment. He declared that North Korea would send 1,000 sappers and 5,000 military construction workers to Kursk [The Moscow Times 2025, 17 June]. In addition, during his meeting with Kim Jong Un, Shoigu again commended the performance of North Korean forces in Russia's Kursk region. KCNA reported talks between Kim Jong Un and Shoigu over «immediate cooperation and long-term plans» but did not provide specifics of the planned cooperation [KCNA 2025, 18 June]. Almost simultaneously, Russia and North Korea resumed direct train services between Pyongyang and Moscow – one of the longest passenger train journeys in the world, covering more than 10,000 kilometres – for the first time since the implementation of COVID-19 border restrictions [Sokolin 2025, 10 June].

At the beginning of July, Kim was seen placing his hands on six coffins covered in flags in pictures displayed during a banquet at the East Pyongyang Grand Theatre [Jung 2025, 1 July]. Senior officials wearing winter jackets, such as Foreign Minister Choe Son Hui and the leader's sister Kim Yo Jong, flanked him, suggesting the repatriation ceremony had taken place months before. State media broadcast footage of a tearful Kim sitting next to his daughter, Kim Ju Ae, and Russian Culture Minister Olga Lyubimova [Ji 2025, 30 June]. After both regimes acknowledged the troop presence and declared triumph in recapturing portions of Russia's Kursk area, Pyongyang began framing the fallen soldiers as part of a victory narrative. Similarly, towards the end of August, Kim placed flowers on a memorial wall that featured 101 pictures with the names of deceased troops, who presumably lost their lives while fighting alongside Russian forces in Ukraine, celebrating them as «great heroes» [KCNA 2025, 22 August]. Kim was also seen offering consolation to bereaved families by kneeling in gratitude and hugging children who were thought to be the sons and daughters of the deceased [Pohorilov 2025, 22 August].

In the same period, Russian Foreign Minister Sergei Lavrov paid a three-day visit to the North Korean seaside city of Wonsan, signalling a strengthening of the two neighbours' strategic ties, with a meeting with Kim Jong Un aboard his yacht and opulent treatment at a recently opened resort [KCNA 2025, 13 July]. Alongside there were other signs of strengthening relations, such as the reopening of air connections – the first direct pas-

senger flight from Moscow to Pyongyang since the mid-1990s – and the enthusiastic arrival of Russian visitors to the resort [KCNA 2025, 29 July].

4.2. *Beyond the battlefield: Pyongyang's renewed diplomatic activism*

On 3 September 2025, Kim Jong Un arrived in Beijing on his special armoured train – accompanied by his daughter Kim Ju Ae, Foreign Minister Choe Son Hui and other senior officials – to participate in the parade marking the 80th anniversary of China's victory in World War II. It was not only Kim's first visit to Beijing since January 2019, immediately before the Hanoi summit with US President Donald Trump, but also the first time in over six decades that the leaders of China, Russia and North Korea gathered in the same place, since also Putin was in attendance. However, the way the visit was organized pointed to a last-minute decision, since KCNA announced the trip on 28 August, only five days before it took place [KCNA 2025, 28 August]. The military parade also saw the participation of officials from South Korea, led by Parliament speaker Woo Won-shik, who had declared he would discuss peace on the Korean peninsula on the sidelines of the parade; Woo was able to only exchange greetings with Kim, marking however the first direct contact between Seoul and Pyongyang in years [Jung 2025, 3 September]. At the end of the event, and after having joined a reception at the Great Hall of the People by Tiananmen Square, Kim and Putin travelled in the same car to the Diaoyutai State Guesthouse, where a meeting was held, the first since the one Pyongyang in June 2024 when the «comprehensive strategic partnership» was signed. Putin expressed his gratitude to Kim for his «initiative» to dispatch forces and commended the valour and bravery of North Korean soldiers who, according to him, battled with Russian forces to thwart a Ukrainian advance into Kursk [President of Russia 2025, 3 September]. Kim responded that, since the strategic partnership agreement in June 2024, collaboration between Moscow and Pyongyang has «significantly strengthened» [KCNA 2025, 4 September]. On their walk to Kim's car, Putin encouraged him to visit Russia.

The parade offered Pyongyang a significant opportunity to boost diplomatic and economic coordination with Russia, but Kim's trip to China was also a chance to obtain Beijing's economic assistance and to avoid becoming overly dependent on Moscow.

The day after, Kim Jong Un was hosted by President Xi Jinping for tea and a banquet at his residence in Zhongnanhai: except for Putin, none of the other twenty-six foreign guests in the parade received this privilege. During the talks, Xi reassured Kim that Beijing attached «great importance to the traditional friendship» with North Korea and this position would not be modified «no matter how the international situation changes», implying the will to deepen mutual interactions and practical cooperation [KCNA 2025, 5 September]. Kim agreed with Xi about their unwavering friendship. The same position was expressed by North Korea's foreign minister,

Choe Son Hui, when she paid a follow-up visit to Beijing later in the month, meeting with the Chinese Premier Li Qiang and Foreign Minister Wang Yi [KCNA 2025, 30 September].

Only a few days later, Li Qiang embarked on a three-day visit to Pyongyang, to celebrate the 80th anniversary of the founding of the Workers' Party of Korea, marking a turning point in the two nations' alliance and emphasizing Beijing's plan to fortify regional ties in the face of growing hostilities with Western nations. Li, the most senior Chinese official to visit the country since 2019, declared that in order to contribute more to regional and global peace, China was prepared to work with North Korea to implement the agreements made by Kim and Xi during their talks in Beijing, as well as to improve strategic communications, sustain close exchanges and promote cordial cooperation [KCNA 2025b, 10 October]. The Chinese leader's visit to North Korea served as both a diplomatic demonstration and a calculated move, reminding the US that China still has considerable influence over North Korea.

The anniversary of the Workers' Party of Korea also became a platform for revitalising relations with Southeast Asia. Alongside Laotian President Thongloun Sisoulith, Vietnam's top leader Tô Lâm attended the celebrations in Pyongyang, signalling a broader regional diplomatic re-engagement [Panda 2025, 15 October]. Both leaders met with Kim Jong Un, reaffirming their commitment to strengthening bilateral ties across political and economic domains. The Laotian position was subsequently reinforced by Foreign Minister Thongsavanh Phomvihane, who travelled to Pyongyang in mid-November for talks with Choe Son Hui [Visapra 2025, 14 November]. By reconnecting with ASEAN members such as Laos and Vietnam, North Korea sought to widen its diplomatic space beyond its deepening alignment with Moscow and its traditional reliance on Beijing, aiming to secure broader political support and reduce strategic isolation on the international stage.

4.3. *South Korea's foreign policy in suspension: Institutional crisis and US pressure*

The course of South Korea's foreign policy in 2025 was noticeably irregular and sequential, due to the constitutional crisis triggered by Yoon Suk-yeol's martial law declaration and the power vacuum following his impeachment. A near-total lack of diplomatic initiative characterized the first half of the year, while a swift but limited reactivation took place in the second half, driven more by the need to react to external pressures and reintegrate Seoul into an increasingly unstable international environment than by long-term strategic design.

South Korea's foreign policy was essentially relegated to a holding pattern during the first months of the year. Seoul did not take new stances, initiate projects or try to influence regional dynamics, despite the fact that

official diplomatic channels were still open. As a result, while tensions on the Korean Peninsula remained high and North Korea continued to strengthen its external alliances, South Korea seemed to be mostly absent from regional and international diplomatic discussions.

In the relationship with the United States, this lack of initiative was most apparent. With Donald Trump back in the White House, Washington's strategy toward allies drastically changed, with a renewed focus on trade deficits, tariffs and transactional negotiating. The first significant external shock to Seoul occurred early in the year when the United States announced increased tariffs on South Korean goods [Kwon 2025, 3 April]. Seoul first reacted through technical and bureaucratic channels, sending economic delegations to Washington with the specific objective of minimizing immediate harm because it lacked the political ability to bargain at the leadership level [Song 2025, 21 May]. Seoul was inevitably more reactive than proactive at this stage, adjusting to US pressure rather than trying to set the agenda.

Only in early June, after Lee Jae-myung's inauguration, did there seem to be a noticeable change in South Korea's capacity for diplomatic action. Foreign policy then became a crucial tool for rebuilding international credibility.

4.4. *Rebuilding credibility: South Korea's foreign policy under Lee Jae-myung*

For the newly elected president, the United States was the first priority. Days after taking office, Lee spoke with President Trump directly for the first time over the phone, indicating that he intended to quickly reestablish high-level communication [Park 2025, 7 June]. The early stages of diplomatic re-engagement were dominated by the ensuing trade and tariff talks. A new trade agreement that lessened tariff pressure on important South Korean exports was the result of a series of interactions between Seoul and Washington in July [Mackenzie and Chia 2025, 31 July], which culminated in the bilateral meeting between Lee Jae-myung and Trump in late August. The summit emphasized the restored alliance management while also confirming the return of high-level political debate following months of institutional stasis. While Seoul focused on maintaining alliance stability and avoiding economic exposure, Washington prioritized defence cost-sharing, supply-chain security and trade imbalances as the main topics of discussion.

In order to limit economic harm and maintain geopolitical stability, South Korea took a very practical stance throughout these interactions, embracing the transactional logic enforced by the Trump administration and accepting disadvantageous conditions to ensure the stability of the alliance. This approach demonstrated the pragmatism that characterized Lee's first months in office in terms of foreign policy.

The second key target for the new president's foreign policy was Japan. After months of stasis, high-level discussions between Prime Minister Ishiba and Lee Jae-myung took place in August in Tokyo and the following

month in Busan, marking the return of active bilateral diplomacy [Shin 2025, 30 September]. However, this re-engagement was also mostly utilitarian in nature, in contrast to the previous initiatives of rapprochement put in place by Yoon Suk-yeol. While collaboration was framed around common security concerns and the management of threats associated with North Korea, controversial historical issues, that had been emphasized by Lee in the previous years, were mainly ignored, further demonstrating the pragmatic approach of the new president.

Just a few weeks following diplomatic reactivation, South Korea's attendance at the G7 summit in Canada marked a significant turning point in the return of the country to the international stage [Singh 2025, 21 June]. Seoul typically uses the G7 as a venue to reaffirm its position as a trustworthy and accountable actor within the community of advanced democracies, rather than exploiting the meeting to promote policy initiatives. Lee Jaemyung took a purposefully low-key approach, avoiding divisive stances on international disputes while highlighting collaboration, stability and economic resiliency. After months of diplomatic absence, the G7 served as a platform for re-legitimation.

South Korea started to refocus its foreign policy toward China by the middle of the summer. Seoul's attempt to normalize bilateral relations in the face of growing US-China competition was reflected in the phone conversation with Xi Jinping and the ensuing diplomatic engagement prior to the APEC summit, scheduled for late October in Gyeongju [Ji 2025, 10 June]. This outreach, which aimed to lessen diplomatic and economic vulnerability without jeopardizing alliance commitments, can be seen as a traditional hedging strategy rather than a sign of a strategic realignment [Fiori and Kim 2024]. While staying firmly rooted in the US-led security framework, South Korea aimed to maintain flexibility, especially in trade and supply chains.

A period of concentrated diplomatic activity began in the fall. South Korea was able to project an image of regained normalcy and diplomatic competence by taking part in and hosting important global events [Pacheco Pardo 2025, 16 November]. Seoul's goal to reclaim its position as a middle power capable of bridging regional and global agendas was demonstrated by its engagement with partners in Asia, Europe and the Global South. Hosting the APEC summit reinforced this ambition, providing South Korea with a platform to convene major powers and shape discussions on economic resilience and regional stability. On the sidelines of the summit, Lee held bilateral meetings with President Trump, the newly elected Japanese Prime Minister Takaichi and President Xi Jinping, signalling Seoul's intention to maintain active and balanced diplomacy among competing centres of power. These encounters underscored South Korea's effort to combine alliance management with strategic flexibility in an increasingly polarized international environment.

South Korea's foreign policy in 2025 had a very uneven development. Seoul was mainly absent from the international stage during the first half of the year, due to the lack of political stability. Starting from June, with the election of a new president, foreign policy initiatives restarted, including handling the problematic relations with the US administration, reestablishing functional cooperation with Japan, carefully stabilizing relations with China and reiterating alliance-based security while re-examining issues of operational autonomy.

The early course of Lee Jae-myung's foreign policy must also be interpreted in light of South Korea's ongoing internal divisions and of structural limitations. Even after the reestablishment of a fully functioning government, the room for manoeuvring was severely constrained by the resurgence of transactional demands from Washington and the escalation of the US-China competition. Because of this, Lee's foreign policy seemed to be more influenced by the need of stabilization and pragmatism than by activism. In this perspective, 2025 proposed a measured realignment within existing strategic boundaries, where pragmatism served as a response to alliance constraints and geopolitical instability.

5. *Conclusions*

In 2025, the developments on the Korean peninsula did not signal a dramatic change, but rather a period of adjustment shaped by various political and structural pressures. Both South and North Korea experienced significant internal shifts, that however did not change the overall balance of power in the region. In South Korea, challenges to democracy have been met with the capability to adapt and recover by the political system. Meanwhile, in North Korea, the government continued to tighten its grip on power and prioritize military strength.

In South Korea, the constitutional crisis and impeachment process were a critical stress test for democratic institutions. The confirmation of the impeachment and the following presidential election showed that constitutional solutions were still able to handle political conflict. At the same time, the crisis revealed how deep polarization was still present and shaped the political landscape, with the new administration taking office in an atmosphere of partisan clash. Consequently, the new presidency's first phase has been marked more by pragmatism and institutional stabilization than by ambitious reform, prioritizing restoring credibility and ensuring governability.

In North Korea, 2025 was a year of consolidation ahead of the upcoming Party Congress. The leadership has stressed discipline, control and performance through most sectors of military and strategic importance. Even events that could be interpreted as failures, like the accident with the naval launch, were re-formed into issues of personal responsibility instead

of systemic weakness. This approach is part of a bigger pattern in Kim Jong Un's style of governance that emphasizes signs of modernization as evidence of strength, while setbacks are presented as individual mistakes to be corrected by the leadership.

This situation has brought little progress in inter-Korean relations. While the South took a more cautious and de-escalatory line over the course of the second half of the year, after the election of Lee Jae-myung, such as through attempts to lower tensions on land borders and reintroduce dialogue incrementally, none of these initiatives fundamentally altered Pyongyang's strategic calculations. The doctrine of «two hostile states» remains at the core of its view of inter-Korean relations as a fundamentally adversarial relationship. So, even as the South has softened its rhetorical stance, actual conditions for mediation remained weak and did not bring any significant result.

At the same time, the broader international context has further constrained the room for manoeuvre on the peninsula. North Korea's deepening cooperation with Russia has provided Pyongyang with additional strategic space and practical benefits, particularly in the military domain. This alignment illustrates how the regime uses external conflicts to strengthen its own position. For South Korea, domestic political instability temporarily reduced diplomatic visibility, but the subsequent effort to reinforce alliance coordination showed awareness of the need for stability in an increasingly competitive international environment.

In conclusion, 2025 can be interpreted as a year of stabilization after crisis in the South and consolidation before strategic repositioning in the North. Democratic institutions in Seoul have proven resilient, but polarization persists. Pyongyang has strengthened internal discipline and external alignment, but this has not translated into greater openness toward the South. The peninsula therefore remains characterized by managed tension rather than reconciliation.

Bibliography

Alpay, Faruk, 2025, 9 July, 'North Korean Soldiers in the Ukraine War: What We Know and What It Means', *Medium*.

Bang, Geuk-ryeol, and Seo-young Kim, 2025, 7 May, 'Seoul court delays Lee Jae-myung's election law retrial until after election', *Chosun Ilbo English Edition*.

BOK (Bank of Korea), 2025, 29 May, 'Economic Outlook: May 2025', *Bank of Korea Press Release*.

Borowiec, Steven, 2026, 22 January, 'South Korea's economy contracts 0.3% in final quarter of 2025', *Nikkei Asia*.

Chang, Dong-woo, 2025, 3 July, 'Kim Min-seok officially appointed as S. Korean PM following Nat'l Assembly approval', *Yonhap*.

Choe, Sang-hun, 2025, 8 March, 'North Korea Says It's Building a Nuclear-Powered Submarine', *The New York Times*.

Choe, Sang-hun, 2025, 9 July, 'South Korea Arrests Impeached Ex-Leader for a Second Time', *The New York Times*.
Choe, Sang-hun, 2025, 25 December, 'North Korea Unveils the Completed Hull of What It Calls a Nuclear Submarine', *The New York Times*.
Fenbert, Abbey, 2024, 14 December, 'North Korean Troops Open Fire on Russian Unit, Ukraine's Military Intelligence Claims', *The Kyiv Independent*.
Fiori, Antonio, and Sunhyuk Kim, 2024, 'Trapped into an Existential Cage. Korea's Hedging Between China and the US', in Chan, Lai-Ha, Pak K. Lee (eds.), *China-US Great-Power Rivalry. The Competitive Dynamics of Order-Building in the Indo-Pacific*, London: Routledge, pp. 129-156.
Garamone, Jim, 2024, 4 November, 'Pentagon Says 10K North Korean Troops in Kursk Oblast', *U.S. Department of War*.
Goh, Gyoung-ju, 2025, 28 April, '이재명, 89.77%로 대선후보 확정…«새 시대 서막 될 것»' *(Lee Jae-myung secures presidential nomination with 89.77% of the vote... «This will be the dawn of a new era»), Hankyoreh*.
Guinto, Joel, 2025, 23 May, 'New Satellite Photos Show Damaged North Korean Warship', *BBC*.
Ha, Chae-rim, 2024, 18 October, '국정원 «북, 우크라전 참전…특수부대 등 1만2천명 파병 결정»' *(NIS: «North Korea to Take Part in the Ukraine War… Decision Made to Deploy 12,000 Troops, Including Special Forces»), Yonhap*.
Han, Young-hye, 2025, 24 March, 'North Korea condemns South Korea-U.S. Freedom Shield drills as «nuclear war rehearsal»', *Korea JoongAng Daily*.
Heo, Dong-Jun, 2025, 18 January, '윤석열, 현직 대통령 첫 구속 갈림길' (Yoon Seok-yeol, the first sitting president to be arrested, faces a crossroads), *Dong-A Ilbo*.
Hwang, Joo-young, 2025, 4 November, 'Lee calls for bipartisan support for 2026 budget centered on AI', *The Korea Herald*.
Jang, Na-rye, 2025, 27 August, '국힘 새 대표 장동혁 선출 «모든 우파와 연대해 이재명 끌어내릴 것»' *(Jang Dong-hyuk, the new leader of the People Power Party, has been elected, saying, «We will unite with all right-wing groups to bring down Lee Jae-myung»), Hankyoreh*.
Ji, Da-gyum, 2025, 10 June, 'Lee Invites Xi to APEC Summit as Both Vow to Forge «New Ties»', *The Korea Herald*.
Ji, Da-gyum, 2025, 30 June, 'N. Korean Leader Flaunts Russia Ties from Battlefield to Stage', *The Korea Herald*.
Jo, Hee-seon, 2025, 13 January, '국정원 «러시아 파병 북한군 사망 300여명·부상 2700여명»' *(NIS: «About 300 North Korean Troops Deployed to Russia Killed, Around 2,700 Wounded»), Seoul Sinmun*.
Jung, Ah-im, 2025, 1 July, '김정은, 전사자 관에 두 손 얹고…北, 유해 송환 장면 공개' (Kim Jong Un Places Both Hands on Fallen Soldiers' Coffins…North Korea Releases Footage of the Repatriation of Remains), *Chosun Ilbo*.
Jung, Ji-yong, 2025, 3 September, '우원식, 김정은과 악수하며 «7년만 만나 반갑다»... 이재명 정부 첫 고위급 접촉' (Woo Won-shik Shakes Hands with Kim Jong Un, Saying «Nice to Meet You After Seven Years»… First High-level Contact Under the Lee Jae-myung Government).
Jung, Min-kyung, 2025, 22 April, 'PPP primary race down to final 4 contenders', *The Korea Herald*.
Jung, Min-kyung, 2026, 14 January, 'Kim Yo-jong's rare back-to-back statements signal Pyongyang's external unease: experts', *The Korea Herald*.

KCNA, 2025, 24 January, '최고인민회의 제14기 제12차회의' (12th Session of the 14th Supreme People's Assembly).
KCNA, 2025a, 16 March, '최선희외무상 로씨야외무성대표단을 만났다' (Foreign Minister Choe Son Hui Meets Russian Foreign Ministry Delegation).
KCNA, 2025b, 16 March, '조로외무성 부상사이의 회담' (Talks Between the DPRK and Russian Deputy Foreign Ministers).
KCNA, 2025, 26 April, '김정은총비서 조선인민군 해군 구축함 진수기념식에서 연설' (General Secretary Kim Jong Un Delivers a Speech at the Launch Ceremony of a Korean People's Army Navy Destroyer).
KCNA, 2025, 28 April, '조선로동당 중앙군사위 꾸르스크해방작전참전 전투구부대 평가' (Evaluation by the Central Military Commission of the Workers' Party of Korea of Combat Units that Participated in the Kursk Liberation Operation).
KCNA, 2025, 29 April, '로씨야대통령 조선의 꾸르스크해방작전참가에 사의 표시' (Russian President Expresses Gratitude for North Korea's Participation in the Kursk Liberation Operation).
KCNA, 2025, 1 May, '조로국경자동차다리건설착공식' (Groundbreaking Ceremony for the Construction of a DPRK-Russia Border Automobile Bridge).
KCNA, 2025, 22 May, '구축함진수식에서 사고발생-김정은총비서 조사 지시' (Accident Occurs During Destroyer Launch Ceremony – General Secretary Kim Jong Un Orders an Investigation).
KCNA, 2025, 23 May, '구축함진수사고 조사내용 보고,원인해명과 당사자의 적발 지시' (Report on the Investigation Into the Destroyer Launch Accident; Instructions Issued to Clarify the Cause and Identify Those Responsible).
KCNA, 2025, 26 May, '함의 회복작업 진행,군수공업부 부부장 구속-구축함진수사고조사' (Recovery Work Underway; Vice Department Director of the Munitions Industry Department Arrested – Investigation into the Destroyer Launch Accident).
KCNA, 2025, 13 June, '김정은총비서 구축함 진수기념식에서 연설' (General Secretary Kim Jong Un Delivers a Speech at the Destroyer Launch Ceremony).
KCNA, 2025, 18 June, '김정은총비서 로씨야 안전리사회 서기장 접견' (General Secretary Kim Jong Un Receives the Secretary of the Russian Security Council).
KCNA, 2025, 24 June, '조선로동당 제8기 제12차전원회의 확대회의-김정은총비서 참석' (Enlarged Meeting of the 12th Plenary Session of the 8th Central Committee of the Workers' Party of Korea – Attended by General Secretary Kim Jong Un).
KCNA, 2025, 13 July, '김정은총비서 로씨야외무상을 접견' (General Secretary Kim Jong Un Receives the Russian Foreign Minister).
KCNA, 2025, 29 July, '평양-모스크바 직항로운영재개, 축하의식' (Resumption of direct Pyongyang–Moscow flights, commemorative ceremony held).
KCNA, 2025, 22 August, '김정은총비서 해외작전부대 지휘관, 전투원들의 국가표창수여식에서 연설' (General Secretary Kim Jong Un Delivers a Speech at a State Decorations Ceremony for Commanders and Combatants of Overseas Operations Units).
KCNA, 2025, 28 August, '김정은총비서 곧 중국 방문' (General Secretary Kim Jong Un to Visit China Soon).
KCNA, 2025, 4 September, '김정은총비서 로씨야대통령과 회담' (General Secretary Kim Jong Un Holds Talks with the Russian President).
KCNA, 2025, 5 September, '김정은총비서 중국주석과 회담' (General Secretary Kim Jong Un Holds Talks with the Chinese President).

KCNA, 2025a, 22 September, '최고인민회의 제14기 제13차회의' (13th Session of the 14th Supreme People's Assembly).
KCNA, 2025b, 22 September, '김정은총비서 최고인민회의 제14기 제13차회의에서 연설' (General Secretary Kim Jong Un Delivers a Speech at the 13th Session of the 14th Supreme People's Assembly).
KCNA, 2025, 30 September, '최선희외무상 중국 국무원 총리를 만났다' (Foreign Minister Choe Son Hui Meets the Premier of China's State Council).
KCNA, 2025a, 10 October, '김정은총비서 조선로동당창건 80돐 경축대회에서 연설' (General Secretary Kim Jong Un Delivers a Speech at the Commemorative Meeting for the 80th Anniversary of the Founding of the Workers' Party of Korea).
KCNA, 2025b, 10 October, '김정은총비서 중국 국무원 총리를 접견' (General Secretary Kim Jong Un Receives the Premier of China's State Council).
KCNA, 2025, 11 October, '김정은총비서 조선로동당창건 80돐경축 열병식에서 연설' (General Secretary Kim Jong Un Delivers a Speech at the Parade Commemorating the 80th Anniversary of the Founding of the Workers' Party of Korea).
Kim, Boram, 2025, 27 September, 'National Assembly passes bill to establish new telecommunications regulatory body', *Yonhap*.
Kim, Dong-ha, 2025, 5 December, '취임 6개월' 李대통령, 지지율 62%로 역대 3위[갤럽]' (Six months after taking office, President Lee ranks third all-time with a 62% approval rating [Gallup]), *Chosun Ilbo*.
Kim, Eun-jung, 2025, 8 March, 'Impeached Yoon released from detention', *Yonhap*.
Kim, Eun-jung, 2025, 21 August, 'Lee vows to pursue 3-stage denuclearization plan for N. Korea', *Yonhap*.
Kim, Hyun-soo, 2025, 22 August, 'N. Korea installs 2 additional loudspeakers along border', *Yonhap*.
Kim, Hyung-jin, 2025, 26 January, 'South Korean prosecutors indict impeached President Yoon Suk Yeol over his martial law', *Associated Press*.
Kim, Hyung-Jin, 2026, 10 January, 'North Korea vows response as it accuses the South of flying drones across the border', *Associated Press*.
Kim, Jack, 2025, 29 July, 'North Korea says Trump must accept new nuclear reality', *Reuters*.
Kim, Jeong-hwan, 2025, 27 May, '이재명 45~49%, 김문수 35% 안팎, 이준석 11%대' (Lee Jae-myung 45-49%, Kim Moon-soo around 35%, Lee Jun-seok around 11%), *Chosun Ilbo*.
Kim, Ji-eun, 2025, 1 May, '대법, 이재명 '선거법' 유죄 취지 파기환송…2심 뒤집혔다' (The Supreme Court overturned Lee Jae-myung's conviction under the election law and remanded the case for trial), *Hankyoreh*.
Kim, Jooheon, 2025, 12 June, 'North Korea turns off border loudspeakers, day after South halted own broadcasts', *NK News*.
Kim, Myung-il, 2024, 8 October, '국방장관 «우크라 공습에 북한군 사망 사실인 듯… 추가 파병 가능성»' (Defense Minister: «It Appears that North Korean Troops Were Killed in a Ukrainian Airstrike… Additional Troop Deployments are Possible»), *Chosun Ilbo*.
Kim, Sarah, 2025, 29 December, 'President Lee returns to Blue House in «symbol of recovery and normalization»', *Korea JoongAng Daily*.
Kim, Tong-hyung, 2025, 11 May, 'South Korean conservative party fails in a bid to switch presidential candidates', *Associated Press*.
Kwon, Kyung-seong, 2025, 3 April, '트럼프 «한국 제품에 25% 관세 부과»… 국가별

상호관세 발표' (Trump: «Imposing a 25% Tariff on Korean Products»… Announces Country-by-Country Reciprocal Tariffs).
Lee, Haye-ah, 2025, 8 April, 'Gov't formally sets presidential election for June 3', *Yonhap*.
Lee, Hyo-jin, 2025, 25 June, 'Unification ministry greenlights NGO outreach to North Korea', *The Korea Times*.
Lee, Jae-myung, 2025, 23 September, 'Address by His Excellency Lee Jae Myung President of the Republic of Korea, General Debate 80th Session of the UN General Assembly, *United Nations*, (https://gadebate.un.org/sites/default/files/gastatements/80/kr_en.pdf)
Lee, Jeong-hun, 2025, 2 May, 'Lee Ju-ho, fourth in the S. Korean Cabinet hierarchy, becomes acting president', *Hankyoreh English Edition*.
Lee, Joyce, and Ju-min Park, 2025, 24 March, 'South Korean court reinstates impeached PM Han Duck-soo as acting president', *Reuters*.
Lee, Michael, 2025, 20 February, 'Han says everyone at Cabinet meeting opposed martial law at 10th Yoon impeachment hearing', *Korea JoongAng Daily*.
Lee, Seong-taek, 2025, 1 October, '이 대통령, 전작권 «전환» 지우고 «회복»으로 고쳤다... «임기 내 추진» 의지' (President Lee Replaces «Transfer» with «Restoration» of Wartime Operational Control, Signaling Determination to Pursue it Within his Term), *Hankook Ilbo*.
Lee, Yeon-woo, 2025, 3 June, 'Voter turnout hits 79.4%, highest in 28 years', *The Korea Times*.
Lim, Jeong-Won, 2025, 16 January, 'Defiant Yoon complied with arrest to avoid 'national tragedy', PPP lawmakers say', *Korea JoongAng Daily*.
MacArthur Bosack, Michael, 2025, 13 December, 'What to Make of North Korea's End-of-Year Party Plenum', *The Diplomat*.
Mackenzie, Jean, and Osmond Chia, 2025, 31 July, 'Trump Announces Deal to Impose 15% Tariff on South Korea', *BBC*.
Maresca, Thomas, 2025, 28 May, 'Candidate profile: Who is Lee Jae-myung?', *UPI*.
Milani, Marco, and Antonio Fiori, 2024, 'Korean peninsula 2024: A year of political and social upheaval', *Asia Maior*, XXXV, pp. 53-81.
NEC (National Election Commission), 2025, 3 June, '[제21대 대통령선거] 개표진행 상황' [21st Presidential Election] Vote Counting Progress), (https://info.nec.go.kr/electioninfo/electionInfo_report.xhtml?electionId=0020250603&requestURI=/electioninfo/0020250603/vc/vccp09.jsp&secondMenuId=VCCP09&statementId=VCCP09_%231&electionCode=1&cityCode=0).
Pacheco Pardo, Ramón, 2025, 16 November, 'Managing the Unmanageable? South Korea's Hosting of APEC 2025', *Korea On Point*, (https://koreaonpoint.org/articles/article_detail.php?topic_idx=184&idx=490&start=).
Panda, Rajaram, 2025, 15 October, 'Lam's Visit to Pyongyang: Scaling New Horizon – Analysis', *Eurasia Review*.
Park, Anna J., 2025, 4 April, 'President Yoon Suk Yeol removed from office as court upholds impeachment', *The Korea Times*.
Park, Anna J., 2025, 7 June, 'Lee Jae-myung Holds First Phone Call with Trump, Reaffirming Seoul-Washington Alliance', *The Korea Times*.
Park, Boram, 2025, 9 May, 'Activists send leaflets to N. Korea urging return of abductees', *Yonhap*.
Park, Boram, 2025, 15 December, 'Recent legal revisions bring end to era of leaflet campaigns against N. Korea: unification ministry', *Yonhap*.

Park, Chang-kyon, 2025, 9 June, 'South Korea's probes of Yoon and wife: search for truth or 'political revenge'?', *South China Morning Post*.
Park, Joon Ha, 2025, 2 May, 'Han Duck-soo launches presidential bid, vowing tough but open North Korea policy', *The Diplomat*.
Park, Joon Ha, 2025, 22 May, 'North Korea fires multiple cruise missiles toward East Sea: ROK military', *NK News*, 2025.
Park, Joon Ha, 2025, 4 June, 'FULL TEXT: President Lee Jae-myung's June 4 inaugural address', *Korea Pro*.
Park, Joon Ha, 2025, 15 September, 'North Korea berates 'reckless' US-ROK-Japan military drills as training starts', *NK News*.
Park, Ju-min, 2025, 4 August, 'South Korea starts removing anti-North Korean loudspeakers on border', *Reuters*.
Pohorilov, Stanislav, 2025, 22 August, 'Kim Jong Un Decorates Troops who Fought in Kursk and Says his Army is «the Strongest»', *Ukrainska Pravda*.
President of Russia, 2025, 3 September, 'Meeting with Chairman of State Affairs of the Democratic People's Republic of Korea Kim Jong-un'.
Reka, Alexander, 2025, 26 April, 'Valery Gerasimov Commended the «Courage and Heroism» of North Korean «Soldiers and Officers»', *TASS*.
Russian Government, 2025, 30 April, 'Mikhail Mishustin and DPRK Premier Pak Thae-song Participate in the Ceremony Marking the Start of Construction of a Road Bridge Across the Tumen River'.
Shin, Kyu-jin, 2025, 6 June, '李, 한덕수가 한 헌법재판관 2인 지명 철회' (Lee withdraws the nomination of two Constitutional Court justices made by Han Duck-soo), *Dong-A Ilbo*.
Shin, Mitch, 2025, 20 January, 'Pro-Yoon Rioters Attack Courthouse After New Arrest Warrant Against the President', *The Diplomat*.
Shin, Mitch, 2025, 5 May, 'Kim Moon-soo Elected as PPP's Presidential Candidate', *The Diplomat*.
Shin, Mitch, 2025, 30 September, 'South Korean President Hosts Outgoing Japanese Prime Minister', *The Diplomat*.
Singh, Lakhvinder, 2025, 21 June, 'President Lee Jae-myung's G7 Debut and the Recalibration of South Korean Foreign Policy', *The Diplomat*.
Sneider, Daniel, 2025, 30 July, 'North Korea-Russia Alliance more than a «brotherhood of arms», *Asia Times*.
Sokolin, Anton, 2025, 10 June, 'North Korea, Russia to Launch 6K-mile Trans-Siberian Rail Link Between Capitals', *NK News*.
Sokolin, Anton, 2026, 20 January, 'North Korea-China trade surges 25% in 2025 to nearly reach pre-pandemic levels', *NK News*.
Sokolin, Anton, and Jooheon Kim, 2025, 29 August, 'North Korea's economy grows at fastest pace in eight years: BOK report', *NK News*.
Son, Ji-hyoung, 2025, 21 March, 'Opposition parties float motion to impeach acting President Choi Sang-mok', *The Korea Herald*.
Son, Ji-hyoung, 2025, 4 June, 'Lee Jae-myung unveils 1st batch of key nominations including prime minister, top aides', *The Korea Herald*.
Song, Sang-ho, 2025, 21 May, 'S. Korea, U.S. Kick Off New Round of Trade Talks in Washington', *Yonhap*.
TASS, 2024, 10 October, 'Kremlin Slams as Fake News Rumors of DPRK Military's Participation in Special Operation'.

The Korea Herald, 2025, 15 August, 'Full text: President Lee Jae Myung's national address on Korea's 80th Liberation Day'.
The Moscow Times, 2025, 17 June, 'North Korea Will Send Thousands of Military Personnel to Help Rebuild Kursk Region, Shoigu Says'.
The Pyongyang Times, 2025, 13 December, 'Press Release on Enlarged Meeting of 13th Plenary Meeting of Eight Central Committee of WPK'.
Vinograd, Cassandra, 2025, 11 January, 'Ukraine Says It Captured 2 North Korean Soldiers Fighting for Russia', *The New York Times*.
Visapra, Phontham, 2025, 14 November, 'Laos, North Korea Move to Deepen Cooperation Across Multiple Sectors', *The Laotian Times*.
VOA, 2025, 12 January, 'North Korean Troops in Ukraine Gain Battlefield Experience, Cementing Alliance with Russia'.
Yang Ji-ho, Woo-jeong Jang, and Su-hyeon Park, 2025, 18 May, 'Yoon leaves PPP as conservatives struggle to regroup before election', *Chosun Ilbo English Edition*.
Yi, Wonju, 2025, 20 May, 'Minor party's Lee says 'no intention' of merging candidacy with PPP's Kim', *Yonhap*.
Yim, Hyunsu, and Ju-min Park, 2025, 15 January, 'South Korean investigators question arrested President Yoon in insurrection probe', *Reuters*.
Yoo, Jee-ho, 2025, 2 August, '4-term lawmaker Jung elected new Democratic Party chief', *Yonhap*.
Zadorozhnyy, Tim, 2025, 9 January, '4,000 North Korean Troops Killed or Wounded Fighting Against Ukraine, Zelensky Claims', *The Kyiv Independent*.
Zwirko, Colin, 2025, 7 January, 'Kim Jong Un says «world cannot ignore» North Korea's improved hypersonic missile', *NK News*.

Japan 2025: External shocks, domestic turbulence and the rise of Takaichi Sanae*

Raymond Yamamoto and *Marco Zappa*

Aarhus University
raymond.yamamoto@cas.au.dk

Ca' Foscari University of Venice
marco.zappa@unive.it

This article analyses the political «turbulence» that defined Japan's domestic and international landscape throughout 2025. Domestically, the period was characterized by an unprecedented crisis for the Liberal Democratic Party (LDP), which, for the first time since 1955, lost its majority in both houses of the National Diet following a decisive defeat in the Upper House election. The study examines how this setback, coupled with economic pressures such as rising inflation driven by increased rice prices, undermined the government's legislative capacity and contributed to record-low popularity. Central to this investigation is the role of influential LDP veterans and hawkish factions in unseating Prime Minister Ishiba Shigeru to facilitate a shift toward a more conservative posture of the party and the cabinet under Takaichi Sanae. The election of Takaichi, Japan's first female prime minister and an ideological heir to Abe Shinzō, marked a significant change in the party's internal «organization» and strategic direction. Her commitment to an expansionary fiscal policy is analyzed in relation to the resulting friction with the Bank of Japan. Furthermore, the paper explores the «normalization» of Japan's security policy amidst regional tensions and the return of Donald Trump to the U.S. presidency. By evaluating the shifting rationality behind these policies – moving from a focus on China's rise to concerns over the U.S. commitment to regional defence – the article highlights how Japan continues to follow in «Abe Shinzō's footsteps».

Keywords – Liberal Democratic Party; Ishiba Shigeru; Takaichi Sanae; Japan's defense normalization.

1. *Introduction*

The year in review was a turbulent one for Japan, both domestically and internationally, marked by unpredictability in political processes and rapid

* This article is the result of a coordinated research effort between the two authors. However, during the writing process, each author focused on specific sections. Section 2 (Domestic Politics and Economic and Financial Policies) were written by Marco Zappa, while Section 3 (International Affairs) was written by Raymond Yamamoto. The authors thank the anonymous reviewers and Prannavan Surendran for his help with research, formatting, and copyediting.

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

shifts in geopolitical realities, which placed the Liberal Democratic Party (LDP) in an unprecedented crisis that demanded significant adaptation to ensure its survival. This chapter primarily examines the LDP's crisis during Ishiba Shigeru's leadership and the October 2025 election of Takaichi Sanae, which signalled the start of the party's political recovery.

Japan's domestic affairs in 2025 were characterized by the prolonged turbulence stemming from the snap election called by Ishiba Shigeru in 2024, in which the LDP and its junior coalition partner, Kōmeitō, failed to secure a parliamentary majority. This electoral setback substantially weakened the coalition's capacity to shape and pass key legislation, which became apparent in the deliberation of the 2025 state budget. The political power of the LDP further deteriorated following the decisive defeat of the party in the Upper House election held on 20 July.

For the first time since its inception in 1955, the LDP lost its majority in both houses of the National Diet. Conversely, fringe right-wing parties, such as Kamiya Sōhei's Sanseitō, emerged as significant political contenders, surpassing more established opposition parties and securing the requisite number of seats to sponsor draft legislation. This electoral outcome triggered an intra-party crisis, ultimately leading to Prime Minister Ishiba Shigeru's resignation in early September and the subsequent election of Takaichi Sanae as LDP President, making her the country's first female prime minister.

Despite a radically transformed political landscape since 2022 – characterized by a delegitimized LDP grappling with internal divisions and numerous scandals [Pugliese & Wallace 2023; Pugliese & Zappa 2024], alongside the rise of populist parties like Sanseitō and the Democratic Party for the People (DPFP) – conservative hardliners within Japan's largest party have far from disappeared. On the contrary, throughout the year under review, they leveraged Ishiba's perceived ineffectiveness and indecisiveness to reclaim their influence.

Under the strategic leadership of veteran LDP figures Asō Tarō and Motegi Toshimitsu, these factions regrouped under Takaichi. They integrated emerging hawkish leaders, such as Kobayashi Takayuki, to form a new ruling bloc within the LDP in opposition to the Ishiba-Kishida-Suga alliance [see Yamamoto & Zappa 2025]. Against this backdrop, the return to active politics of former Abe-faction leaders – including Hagiuda Kōichi and Nishimura Yasutoshi, following their temporary suspension over the 2023 slush fund scandal [Pugliese & Zappa 2024] – proved instrumental in Takaichi's 2025 victory. Her commitment to reinstating an expansionary fiscal policy, in contrast to the purportedly austerity-driven Ishiba administration, created friction between the cabinet and the Bank of Japan (BOJ), yet yielded significant public support for the newly installed administration.

Japan's international affairs in 2025 were influenced by two key events: the return of Donald Trump as the 47th President of the United

States in January; and the LDP election of Takaichi Sanae as prime minister, a former protégé and ideological ally of Abe Shinzō, who succeeded Ishiba Shigeru in October.

These developments, while significant, have not altered the trajectory Abe successfully embedded at the core of Japan's strategic thinking: the «normalization» of its foreign and security policy to address the increasing geopolitical tensions in the region. The normalization process entails a gradual abandonment of Japan's postwar anti-militarist stance and the adoption of *Realpolitik* as the country's primary guiding principle in international affairs [Pugliese & Patalano 2020]. Also in 2025, nothing indicated that Japan is deviating from following « Abe Shinzō's footsteps» [Pugliese & Zappa 2024].

What has changed is the underlying rationale for adopting a more robust security policy. While it was previously driven mainly by China's rise, it has increasingly centred on concerns about the U.S. commitment to defend Japan, which was once regarded as the unquestionable bedrock of the country's security structure. Consequently, two distinct approaches emerged, represented by Ishiba and Takaichi, reflecting their differing views on the U.S.'s role in the country's strategic outlook. Ishiba believed that Japan should not rely fully on the U.S. in its foreign and security policy and needed to hedge, whereas Takaichi saw the alliance as indispensable and believed that everything must be done to maintain it. The part analysing Japan's foreign policy in 2025 is mainly structured around Prime Minister Ishiba's approach, which is then contrasted with Takaichi's own posture, emerged more clearly after she took office in October 2025.

2. *Domestic Affairs and Economic Policy*

2.1. *The battle never ends: Ishiba on the barricades*

As illustrated in the previous issue of this journal, Ishiba Shigeru has been a divisive figure since his ascension to the LDP leadership. Following his predecessor Kishida Fumio's plan to rebuild public confidence in the party – which had been severely eroded by the Unification Church and kickback scandals of 2022 and 2023 – Ishiba alienated significant factions within his own party. This was particularly evident among the conservative right wing, represented by party heavyweight Asō Tarō and Takaichi Sanae, due to his conciliatory posture toward the opposition following the 2024 general election [Yamamoto and Zappa 2025].

In this context, the October 2024 election results undeniably dealt an initial blow to the new cabinet, both within and outside the LDP, despite a relatively positive reception of the Ishiba administration by the Japanese public [see Yamamoto & Zappa 2025; NHK Senkyo Web, n.d.]. However,

having failed to secure a majority in the Lower House, Ishiba was forced to form a minority government with the backing of the LDP's long-standing ally Kōmeitō. Nonetheless, at this juncture, the LDP had to hand over the control of several parliamentary committees, including the one responsible for reviewing the annual state budget to the primary opposition party, the Constitutional Democratic Party (CDP).

Deliberations on the cabinet-approved draft budget commenced with the opening of the Diet session in late January and continued until early March before the document was sent to the Upper House. In his inaugural policy speech, Ishiba outlined his vision for a «pleasant Japan» (*tanoshī Nippon*), a new plan for the «remodelling of the Japanese archipelago» inspired by his political mentor, Tanaka Kakuei. Ishiba's agenda was articulated through several key pillars, including the promotion of technology and innovation-led revitalization of rural areas; investments in green and digital transitions to develop infrastructure for a «new era» (*shinjidai no infura seibi*) and enhanced disaster preparedness; the strengthening of public finance to sustain burgeoning social security and healthcare costs; the prioritization of public and private investment in high-value-added sectors and increased wages across all industries; the adoption of a multi-directional foreign policy focused on proactive engagement with China; the enhancement of Japan Self Defense Forces (JSDF) capabilities, including the expansion of human capital; and political reforms, specifically the introduction of new legislation regarding political donations.

Given the constraints of his minority government, and in line with his political trajectory [see Yamamoto & Zappa 2025], Ishiba concluded by calling for sincere cross-party discussions, particularly concerning the 2025 budget, fiscal reforms, and education. The prime minister pledged to make every effort to clarify the cabinet's positions to persuade Diet members and secure their approval [Prime Minister's Office of Japan 2025, 24 January].

Notwithstanding these efforts, for the first time in 29 years, the initially proposed budget was amended by committee members in a historic shift in parliamentary custom. The decision by committee chairperson Azumi Jun (CDP) to establish a new review methodology – examining the budget on a ministry-by-ministry basis to curtail excessive spending – reportedly hindered the rapid passage of the draft budget through the House [Harris 2025, 25 January]. Furthermore, the majority decision by committee members from the CDP and Kōmeitō to hold a hearing for Matsumoto Junichirō, the former chief accountant of the LDP's Abe faction, regarding the 2023 kickback scandal, caused additional delays in the review process and further incensed elements within the LDP [Izumi 2025, 18 February; Yomiuri Shimbun 2025, 27 February]. Ultimately, the budget committee's proposed amendments resulted in a nearly €2-billion reduction from the minority coalition government's original proposal. This outcome underscored a rare institutional asymmetry between the cabinet and the Diet, highlighting the

fragile position of the Ishiba administration [Yamazaki 2025, 28 February; Akimoto 2025, 2 April].

2.2. *Towards new political arrangements*

In light of the aforementioned developments, the cabinet's political energy during the first half of 2025 was primarily consumed by domestic efforts to secure the passage of the annual budget through the Diet. The bill, totalling a record ¥115.2 trillion (€622.5 billion), was approved on March 31, shortly before the commencement of the new fiscal year. Notably, the government's draft budget featured increased allocations for social security (€206 billion) and defence (€45.8 billion), alongside a growing commitment to regional revitalization (€1.08 billion), disaster prevention (€78.9 million), and next-generation semiconductor development (€708 million) [Ministry of Finance 2024, 27 December].

In a historic precedent, the budget proposal underwent a second review by the Upper House budget committee, requiring the government to revise it before its final ratification. Following the bill's passage, Prime Minister Ishiba publicly expressed his appreciation for a budget he described as the product of «earnest deliberations and revisions», reflecting the full exercise of both the Diet's and the Government's respective roles [Prime Minister's Office of Japan 2025, 31 March]. Inter-party negotiations regarding the budget also provided the LDP with an opportunity to expand its governing coalition to include the Ishin no Kai (Japan Innovation Party, JIP) – a party with a conspicuous support base in the greater Ōsaka metropolitan area. As will be detailed below, this strategic realignment significantly influenced the formation of political alliances later in the year.

Indeed, for the first time since entering national politics in 2012, the JIP voted in favour of the cabinet's budget draft. This support was secured after the LDP agreed to incorporate provisions for education subsidies to reduce child-rearing costs and expand educational opportunities for Japanese students. This marked a pivotal moment for the realization of a long-standing LDP-Kōmeitō policy objective to reduce schooling fees across all levels of education [AERA 2017, 12 October; Kōmeitō n.d.]. Commencing in fiscal year 2025, the government will provide €2.7 billion in annual subsidies to families with children in school, notably without income caps. However, given that Japan trails other OECD nations in public education funding, observers caution that these projected annual subsidies may ultimately disproportionately benefit private institutions to the detriment of an already struggling public education system [Shiga 2025, 16 May].

Furthermore, in addition to the education subsidies, the minority government secured JIP support for the politically sensitive decision to review the monthly co-payment cap on the high-cost medical expense benefit system (*kōgaku ryōyōhi seido*). This reform requires patients undergoing long-term, costly treatments to pay higher out-of-pocket sums – ranging

from 2.7% to 10% based on income – before becoming eligible for financial assistance. The measure was deemed urgent to address burgeoning healthcare costs, which, as of 2023, amounted to over €450 billion, or 11% of the national GDP [World Health Organization, n.d.]. Nevertheless, faced with resistance from within the LDP, sections of the opposition, and patient advocacy groups, Prime Minister Ishiba was forced to back down and to announce that the implementation phase of the reform was postponed until September 2025 [Prime Minister's Office of Japan 2025, 1 April]. In December 2025, the Ministry of Health, Labour and Welfare eventually resolved to implement the increase in the out-of-pocket payment cap starting in the summer of 2026, despite persistent uncertainty regarding the measure's social sustainability [Mainichi Shimbun 2025, 4 March; Otake 2025, 16 December].

Setting aside the aforementioned political challenges, cooperation – albeit intermittent – between the ruling minority coalition and the opposition emerged on several occasions throughout the year under review. Notable instances include the ruling coalition's decision to raise the taxable income threshold from ¥1.03 million (approximately €5,570) to ¥1.6 million (approximately €8,660). This move partially reflected the policy objectives of the Democratic Party for the People (DPFP), which had achieved significant success among younger voters – primarily urban, non-regular employees – in the 2024 Lower House election [Yamamoto & Zappa 2025, p. 96].

2.3. *Across-the-aisle cooperation and the (short-lived) prospects for a national unity government*

Furthermore, cross-party collaboration was instrumental in the enactment of two significant legislative measures: first, a Cyber Defence Act authorizing the government to monitor the internet and neutralize potential cyberattacks during peacetime; and second, a pension system reform aimed at revising basic pension levels and extending coverage to part-time workers [Suzuki 2025, 16 May; Harris 2025, 31 May; The Mainichi 2025, 17 September]. The former measure is particularly relevant, as it resulted from a temporary alignment between the minority government and the largest opposition parties (the CDP, JIP, and DPFP), excluding the Japanese Communist Party and Reiwa Shinsengumi. This new legislation enabled the government to consolidate its oversight of digital communications by collecting and analyzing relevant metadata – such as IP addresses and transmission timestamps – and establishing a more robust surveillance system for communications involving foreign entities.

An early draft of the bill had been presented to the prime minister in November 2024 by a group of lawmakers led by Kobayashi Takayuki, then-chair of the LDP's research commission on economic security [Jimintō, 2024, 7 November]. Notably, the enactment of this law was also consistent

with Takaichi's political agenda. Following Ishiba's victory in the October 2024 LDP presidential election, Takaichi had maintained a relatively low profile [Yamamoto & Zappa 2025], serving as chair of the LDP research commission on public safety, counterterrorism, and cybercrime. Previously, during her tenure as Minister of Economic Security in the Kishida administration, she had advocated for the establishment of a Cybersecurity Agency under the jurisdiction of the Prime Minister's Office [Yomiuri Shimbun 2024, 21 May].

Beyond the aforementioned cross-party cooperation, a significant policy convergence on cybersecurity also emerged within the LDP itself. Ishiba proved receptive to the policy recommendations of the party's more hawkish factions, represented by Kobayashi and Takaichi, and subsequently launched the Cybersecurity Headquarters in early July. This new agency, established under the Prime Minister's Office, was tasked with coordinating inter-ministerial efforts to draft a comprehensive cybersecurity strategy capable of addressing emerging and severe threats to national security [Prime Minister's Office of Japan 2025, 1 July].

Under these circumstances, as reported by Tobias Harris, key LDP figures – including former Prime Minister Kishida Fumio – alluded to the concept of forming a grand coalition government as «logical» (*rikutsu no aru*), despite the enduring political disparities between the CDP and the LDP. However, it is hypothesized that this issue may have exacerbated frictions between Kishida, a supporter of the Ishiba administration, and Asō Tarō and Motegi Toshimitsu, the two other most influential LDP veterans, who favoured a conservative LDP-JIP alliance. Following the Upper House election in particular, Asō and Motegi gradually shifted their support toward internal movements aimed at unseating Ishiba, eventually backing Takaichi in her ascent to power [Harris 2025, 31 May].

Nonetheless, the minority government and the opposition remained at an impasse over two significant policy items: first, draft legislation concerning political campaign contributions; and second, the proposal to amend the Civil Code to allow married couples to maintain separate surnames. Both issues carried profound implications for the balance of power within the LDP and the broader ruling coalition. Notably, the Kōmeitō actively advocated for a draft law that would, among other provisions, require donors to direct funds to party headquarters or local organizations rather than to individual politicians. In March, the prime minister deemed the proposal – jointly drafted by Kōmeitō and DPFP lawmakers – as «virtually unacceptable», while officially remaining open to further negotiations [Nihon Keizai Shimbun 2025, 25 March].

2.4. *Ishiba's gradual downfall*

Despite his 2024 campaign pledge to rebuild trust in politics following the 2023 slush fund scandal, Ishiba himself came under intense scrutiny from

both the LDP and the opposition. This followed revelations that the prime minister had distributed fifteen 10,000-yen (approximately €54) coupons to young LDP lawmakers during a dinner at the Prime Minister's official residence in early March 2025. Lawmakers from across the political spectrum accused Ishiba of contributing to the further alienation of Japanese voters. In response, the prime minister reaffirmed that these donations were made out of his own pocket and were not subject to the Political Funds Control Act [TBS News Dig 2025, 14 March]. Regardless of Ishiba's reassurances, the cabinet's approval rate dropped by eight points in March to 36%, while public dissatisfaction rose by 10% to reach 45% compared to the previous month [NHK Senkyo Web n.d.].

By the end of the Diet session in July, the issue of political funding remained unresolved. Meanwhile, the Lower House Budget Committee voted in favour of a proposal to summon former Abe-faction leaders involved in the 2023 kickback scandal to testify before the committee. Between April and May, Sekō Hiroshige and Shimomura Hakubun, two prominent former Abe-faction figures, agreed to testify, but did not provide new evidence regarding the scandal. Following Shimomura's hearing, the liberal «Asahi Shimbun» criticized lawmakers for adopting sporadic initiatives to establish the truth and for failing to fulfil the mission of restoring public trust. The newspaper attributed this failure to the parties' seemingly irreconcilable differences in approach and urged the LDP and opposition parties to cooperate more effectively toward building a consensus [Asahi Shimbun 2025, 30 May].

Naturally, internal movements within the LDP to unseat Ishiba had emerged well before the summer of 2025, specifically prior to the electoral debacle of the July Upper House election. Elements within the ruling party had openly criticized the government's foreign policy and other legislative proposals, including an amendment to the Civil Code that would allow married couples to maintain their individual family names. While the Kōmeitō and the CDP expressed support for the reform, the LDP – particularly influential figures from the party's right wing – remained deeply divided on the matter. Aware of this internal resistance, Ishiba nonetheless urged his party in late January to accelerate discussions and reach a compromise as expeditiously as possible [Kyōdō 2025, 27 January].

In early February, during a meeting of the «Sōsei Nippon» (Create Japan) parliamentary alliance – attended by prominent LDP conservatives such as future premier Takaichi, Kobayashi Takayuki, and former Abe-faction leader Hagiuda Kōichi – social unrest was identified as a major risk factor associated with permitting separate surnames for married couples. Specifically, the group's chairperson, Nakasone Hirofumi, emphasized the need for clarity regarding the practical implications of the measure and warned of potential divisions within the LDP over an issue that concerns the very «foundations of the nation» [Imanaka 2025, 5 February].

Prior to this meeting, LDP conservatives had utilized their personal social media platforms to voice their opposition to Ishiba's proposal. For instance, in the spring of 2024, Takaichi – Ishiba's primary contender in that year's presidential race – posted a video on her YouTube channel arguing that Japanese citizens could already request that public and private institutions (such as banks) issue individual documents (IDs, passports, and bank passbooks) featuring both married and maiden names without necessitating a reform of the Civil Code [Takaichi Sanae Channel 2024, 6 July]. Subsequently, in January 2025, Kobayashi used the same platform to point out that more pressing issues required the government's attention, such as economic revitalization and national security [Kyodo 2025, 25 January].

Currently, Japan remains the only country in the world where married couples are legally required to adopt a single surname – either the groom's or the bride's – which is then recorded in the family register (*koseki*). Despite recent data from the Ministry of Justice indicating that a majority of the Japanese public favoured the introduction of measures allowing individuals to maintain their own family names, and notwithstanding two ministerial-level proposals formulated between 1996 and 2010, such reforms have never successfully reached the Diet [Ministry of Justice n.d.].

As the two cases illustrated above suggest, the cabinet's perceived political inertia was partially a result of internal opposition and growing discontent with the LDP's internal organization, spanning issues from domestic policy to diplomacy [Kyōdō 2025, 11 January]. In Tobias Harris's view, these early attacks on Ishiba and his cabinet from within the party were part of a concerted attempt by the LDP right wing to delegitimize the prime minister and lay the groundwork for an early leadership election ahead of the scheduled Upper House election [Harris 2025, 4 February]. At the same time, it is undeniable that, particularly following the Upper House election in July, Ishiba served as a scapegoat for his party's inability to reform itself, sever its ties with discredited religious movements such as the Unification Church, and initiate policies capable of reversing the country's enduring economic decline [Yamada et al. 2025, July 29].

The prospect of an early LDP presidential election and the subsequent resignation from the administration's top post even prevented Ishiba from releasing an official statement on the 80th anniversary of the end of World War II in August 2025. In his final act as prime minister on October 10, Ishiba issued a personal reflection on the event, emphasizing his desire to uphold the positions of his predecessors since the 1995 Murayama Statement. This landmark statement was the first to acknowledge the «mistaken state policies» that led to Japanese military aggression and colonial exploitation of its Asian neighbours during the 1930s and 1940s. Illustrating the systemic dysfunctions of the state in imperial Japan, Ishiba warned of the risk that history would repeat itself if politics and civil society abandon their roles as watchdogs against government overreach and trends toward

remilitarization. Quoting his political mentor, Tanaka Kakuei, Ishiba emphasized the need for improved historical education for younger generations, urging the Japanese people to «confront history directly» to ensure a brighter future [Prime Minister's Office of Japan 2025, 10 October].

2.5. *Trump and rice: Japan's 2025 «twin shocks»*

The LDP's internal difficulties were further exacerbated by two shocks: one external and one domestic.

First, in early April, during the so-called «Liberation Day», the Trump administration announced a 24% baseline tariff on exports from Japan, triggering what Ishiba publicly described as a «national crisis» [Moriyasu & Pak 2025, 3 April; Harris 2025, 7 April]. This was a shocking announcement, given the U.S. position as Japan's largest export market. The consequence of the new tariff would have imposed a considerable burden on the Japanese economy, which was already heavily suffering from the drastic yen devaluation that began in 2021. Moreover, the White House's announcement came only weeks after Prime Minister Ishiba, during his inaugural trip to Washington and meeting with U.S. President Donald Trump, had pledged to support an increase in Japanese private investment in the U.S. economy – to a total of $1 trillion – and welcomed the beginning of a «new golden age» of U.S.-Japan relations [Tere Tō BIZ 2025, 8 February].

Prime Minister Ishiba saw the announcement as a «national crisis» leading to «battle for national interests» while Chairman of the LDP's Policy Research Council, Onodera Itsunori, described it as «very disrespectful», which made him feel «strong resentment» [Ward 2025, 27 July; Morioka 2025, 11 July].

The April «Trump shock» immediately impacted negatively on the Nikkei Stock Average, causing it to drop by 4.5% to 34,100 – its lowest level since August 2024 – and further reverberated across major Asian stock exchanges. Experts also warned that the newly introduced U.S. trade policy could reduce Japan's nominal and real growth by 0.6% within a relatively short period [Kim & Nagumo 2025, 3 April]. Indeed, the total value of Japanese exports in May 2025 declined by 11% compared to the previous year; specifically, the value of automobile and auto-part exports decreased by 8% [Davis 2025, 8 July].

Against this backdrop, Ishiba appointed Akazawa Ryōsei, Minister of Economic Revitalization and one of his closest allies, as the administration's lead negotiator with the U.S. Despite concerns regarding Akazawa's relative lack of diplomatic experience, after eight rounds of talks with his U.S. counterpart, Tokyo's top trade negotiator succeeded in concluding an agreement with Washington in late July, which was officially finalized in September. Under the agreement, the U.S. agreed to reduce the baseline tariff on nearly all Japanese imports from 25% to 15%. Separate sector-specific clauses established a 15% tariff on cars and car parts and eliminated previ-

ously imposed tariffs on aerospace products, excluding unmanned aircraft. Tariffs on generic pharmaceuticals and on natural resources not naturally available or produced in the United States were also removed.

In exchange, the Japanese government agreed to increase its procurement of U.S. rice to 75% of its WTO Minimum Access quota and, concomitantly, to purchase U.S. agricultural goods – including corn, soybeans, fertilizer, and bioethanol – for an annual value of $8 billion. Critically, Tokyo agreed to increase its imports of U.S.-manufactured vehicles without requiring additional safety testing, alongside aircraft and defence equipment. As a sequel to Ishiba's February pledge, the 2025 U.S.-Japan trade agreement included fresh Japanese investments and loans in the U.S. totalling $550 billion, primarily focusing on the pharmaceutical and semiconductor sectors [The White House 2025, 4 September].

In July, Akazawa welcomed the deal as being in the «national interest» of both parties and emphasized that this trade agreement had prevented an estimated economic loss of approximately ¥10 trillion [Nihon Keizai Shimbun 2025, 26 July]. Through his X profile, Prime Minister Ishiba expressed his gratitude to Akazawa and reiterated the narrative of a U.S.-Japan «golden age» [Ishiba 2025, 23 July]. Overall, the administration defended the agreement as a strategic success; indeed, Akazawa managed to negotiate and secure a reduction in baseline tariffs on key export items, such as automobiles and auto parts. Additionally, the administration avoided a highly unpopular increase in rice imports from the U.S., which would have undoubtedly alienated Japanese farmers. According to several analyses, the timing of the deal – concluded just days after the July 20 Upper House election – may have helped the ruling LDP mitigate an even more severe defeat in the polls [Govella 2025, 23 July]. Nonetheless, Trump's coercive approach, which threatened Japan's already struggling economy, unsurprisingly infuriated many in Japan, leading to a sharp decline in the public perception of the U.S. [Kato 2025, 29 November].

Second, throughout the first half of 2025, rice prices continued to rise, further driving inflation. Historically, rice has been a staple food in Japan, and throughout the country's premodern and modern history, fluctuations in the wholesale and retail prices of the crop have frequently led to popular unrest and political instability [see, for instance, Tzuzuki 2000]. Since the summer of 2024, retailers have faced significant rice scarcity, resulting from a 410,000-ton drop in production compared to the previous year, coupled with a concomitant surge in demand linked to an increase in international tourists visiting the country [Katō 2024, 30 July].

This imbalance spurred a sharp rise in the price of the crop, which by the end of 2024 had reached ¥3,775 per 5 kg [Nippon.com 2025, 14 February]. The situation was initially deemed manageable by the government, to the extent that the Ministry of Agriculture, Forestry and Fisheries (MAFF) ruled that releasing government rice stockpiles was unnecessary [Katō 2024,

30 July]. However, as the average retail price continued its upward trajectory through early 2025, the government ultimately announced the release of 210,000 tons of rice from stockpiles in mid-February.

By May, only a limited quantity of government-owned rice had reached retailers. Despite a transient 2% decrease in retail prices, costs continued to surge, reaching a new peak in mid-May at ¥4,310 per 5 kg – more than double the 2024 average. In response, Prime Minister Ishiba announced that his administration would implement swift measures to stabilize prices at approximately ¥3,000 per 5 kg [Nihon Keizai Shimbun 2025, 21 May]. Shortly thereafter, during a political fundraising event in Saga Prefecture, the Minister of MAFF, Etō Taku, defended the decision to release stockpiles but acknowledged the limitations of the current distribution system, pledging to facilitate direct shipments to retailers. However, Etō's public remarks – including the controversial admission that he had «never bought rice» and possessed sufficient quantities supplied by supporters to consider resale – triggered a severe public backlash against the Ishiba administration [Asahi Shimbun 2025, 19 May]. Consequently, the prime minister urged Etō, a member of the LDP's agriculture «policy tribe» (*zoku*),[1] to resign [Ninivaggi 2025, 21 May].

As his replacement, Ishiba appointed Koizumi Shinjirō, a key political ally and son of the former «maverick» Prime Minister Koizumi Jun'ichirō. Koizumi immediately pledged to halt the price surge by directly shipping to retailers [Nishimura 2025, 21 May]. As noted by Tobias Harris, Koizumi – who had previously chaired the LDP agricultural policy committee and possessed a reputation as a skilled communicator – was quickly perceived as the «rice minister» and a central figure in Ishiba's attempted political recovery ahead of the July Upper House election. At a deeper level, the decision to appoint Koizumi was also motivated by the looming threat of a no-confidence vote that could have unseated the minority government before the end of the Diet session [Harris 2025, 22 May].

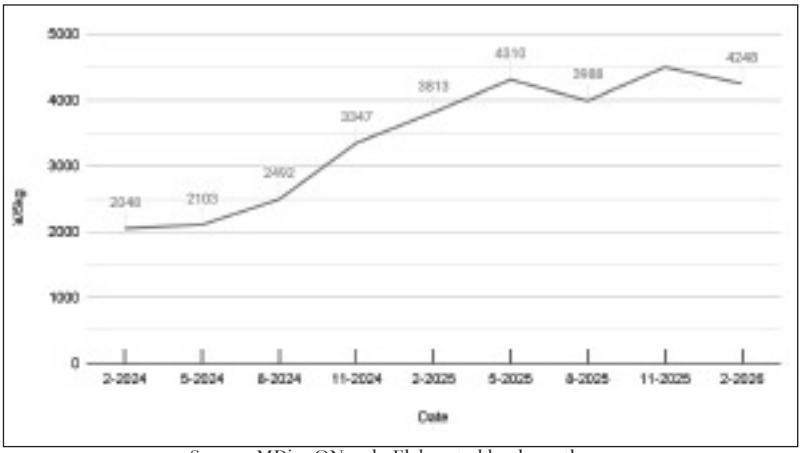
Predictably, in June, Koizumi announced the release of an additional 200,000 tons of stockpiled rice, following a prior release of 100,000 tons in May, which had failed to decisively impact retail prices [Kyōdō 2025, 10 June]. On this occasion, the government bypassed the traditional wholesale auction system, opting for direct contracts with retailers. This move effectively circumvented the Japan Agricultural Cooperatives (JA) Group, which maintains a near-monopoly on the distribution of staple foods. As illustrated by Park [2025, 24 April], the 2024-2025 rice crisis underscored

1. The term *zoku* refers to groups of middle-ranking lawmakers who have historically dominated specific policy areas (agriculture, construction and industry) by accumulating knowledge and expertise and forging alliances with the ministerial bureaucracy. They have acted as «basic units» of policymaking in their respective domains within ministries and the Diet. For a more detailed explanation of the role of policy tribes in Japanese policymaking, see Yoshimatsu [2025].

the systemic vulnerability of Japan's food supply chain. Since the 1970s, the Japanese government has implemented measures to protect small-scale farmers by reducing rice acreage (*gentan*) – thereby maintaining high price levels – and subsidizing crop diversification.

Officially, the *gentan* system was abolished in 2018; however, its operational practices have reportedly survived [Nihon Keizai Shimbun 2022, 2 July]. These governmental initiatives resulted in a temporary reduction in retail prices for the staple food, bringing them below ¥4,000 per 5 kg, though they never fell below the declared ¥3,000 base. In early July, the government approved a further release of stockpiled rice intended for processed food and distilled spirits [Jiji 2025, 5 July]. This measure, once again, had a limited impact on the crop's retail price, which, as illustrated in Fig. 1, continued to trend upward until late 2025 before beginning to edge down in early 2026.

Figure 1 - Average retail price of rice 2024-25



Source: MDingON n.d.. Elaborated by the authors.

In general terms, the 2025 rice price crisis contributed to pushing inflation up to 3% [NHK World 2026, 22 January], affecting populations in urban and rural areas alike. In June, the *Mainichi Shimbun* newspaper reported that several local governments, from Hokkaidō in the North to Gifu prefecture in Western Japan, were offering vouchers for the purchase of rice and other food items in order to support families with children and other vulnerable categories, such as single mothers, to help them bear the rising cost-of-living [Mainichi Shimbun 2025, 12 June].

Amidst soaring rice prices and a rising demand, private companies increased their imports of cheaper rice from abroad, particularly from the U.S. These totalled nearly 97,000 tons, representing 104 times the quantity

imported in 2024. Despite a €1.85/kg tariff, imported rice remained cheaper than locally produced rice [Nikkei Asia 2025, 26 December].[2]

At the beginning of July, ahead of the Upper House election, Prime Minister Ishiba instructed his cabinet to take steps to increase production, effectively overturning the aforementioned long-standing acreage-reduction policy [NHK 2025, 1 July]. Ishiba's measures were yet again reversed in late 2025 after the appointment of the new Minister of Agriculture, Forestry and Fisheries, Suzuki Norikazu. As opposed to its predecessor, the Takaichi administration swiftly moved to abandon the vestiges of Kishida's «new capitalism» [Pugliese & Zappa 2024] and «forcefully advance a growth strategy to fundamentally strengthen Japan's supply structure and build a strong economy», promoting public-private partnerships across multiple sectors [ANN News 2025, 24 October; Ishikawa 2025, 5 November]. Regarding agriculture, the new government announced that it would discard the previous administration's plans and decisively pursue a market-oriented approach to the management of demand and supply for the staple food [Mainichi Shimbun 2025, 3 November].

2.6. *The 2025 House of Councillors vote: whither the LDP's hegemony?*

Amidst internal tensions and widespread dissatisfaction with the government, the LDP and the other major political parties moved to organize their political platforms ahead of the July Upper House election. Elections for the upper house of the National Diet are held every three years to renew half of the 248 seats, meaning that 124 seats were up for grabs, with a majority of them contested in single-member and multi-member districts at the prefectural level and a portion allocated to winners in the proportional vote at the national level.

Against this backdrop, for nearly three weeks, parties battled particularly over economic matters, such as rising prices amid Trump's looming tariffs, fiscal policy, such as the reduction of the consumption tax on food items and energy, and the rise in after-tax incomes. Besides, immigration emerged as a decisive topic. Parties were called to offer solutions for managing a perceived boom in foreign residents benefiting from tax incentives or purportedly preferential access to national welfare [Itō 2025, pp. 19-21].

In view of this, the LDP put forward a political program articulated in three grand visions: a strong Japanese economy, able to withstand domestic and external shocks through growth promotion in strategic sectors such as AI and data science; affluent livelihoods, that is promoting wage increase and other measures aimed at helping the Japanese to withstand rising living costs; and a «firm» Japan, able to hold off external threat through fresh

2. The quota of privately imported rice added up to a 770,000-ton quota of tariff-free rice (100,000 of which was earmarked as staple rice) which Japan imports yearly under the provisions of the World Trade Organization.

investments in the defence sector and in disaster-resilience [Jimintō n.d.]. In June, the governing coalition tried to gain a competitive edge over the opposition parties by announcing that the government would bestow cash handouts worth ¥20,000 (nearly €110) to all individuals regardless of their income level, and offer other cash benefits to children and lower-income families to tackle the effects of inflation and of the «Trump shock» over Japanese households. According to one survey, however, the government's decision was deemed less effective than measures to reduce taxes [Mainichi Shimbun 2025, 13 April].

Nonetheless, the provision of fiscal support and subsidies to families with children and to the so-called employment ice age generation (i.e., young graduates between 1994 and 2004) remained central to the LDP program, along with the vow to increase wages and cap healthcare costs. Besides these items, the LDP's program featured measures to improve agricultural productivity and achieve decarbonization by 2050. The LDP also pledged to strengthen internal controls on campaign funding in response to public distrust following the 2023 kickback scandal [Nihon Keizai Shimbun 2025a, 3 July].

Instead, the CDP proposed a temporary halt to the consumption tax on food items, policies to increase agricultural productivity through subsidies to farmers, and the decarbonization and denuclearization of the Japanese economy. Regarding campaign funding, the CDP stressed the need to ban funding from companies and various groups, aiming for enhanced transparency on the matter [Nihon Keizai Shimbun 2025b, 3 July]. Similarly, the JIP advocated for a reduction of the tax burden, including a two-year moratorium on the consumption tax on food items, and public welfare premium payments on the part of the country's active population, combined with public support for farmers and an increase in defence spending to 2% of the GDP [Nihon Keizai Shimbun 2025c, 3 July]. Unlike previous stances, the DPFP stressed the need to raise the income and residential tax-exemption thresholds to 1.78 million. Significantly, the DPFP proposed adopting an anti-spy law and creating a surveillance system for real estate investments by foreign individuals. Moreover, Tamaki Yūichirō's party proposed the digitalization of the report system for political funding and the advancement of online voting [Nihon Keizai Shimbun 2025d, 3 July].

On more radical stances was the populist right-wing party Sanseitō, which, just five years after its establishment, emerged triumphant at the 2025 House of Councillors elections. Besides their pledges to prioritize and protect Japanese citizens – which revealed ideological ties to the U.S. alternative right – Sanseitō laid out a vision centred on increased public spending and tax cuts, ruralism, and a return to fossil fuels, appealing to voters from the lower-middle strata of Japanese society. Sanseitō tailored its strategy to those at the «very centre» (*mannaka*) of Japanese society: atypical workers and small and medium entrepreneurs who have felt left behind by

the state amid the «structural reforms» of the early 2000s and the incremental neoliberalization of the Japanese economy and society. This rhetoric is reflected in the attacks on foreigners who have allegedly been allowed *en masse* into Japan and are now profiting from their position at the expense of impoverished Japanese nationals [Itō 2025, pp. 23-25].

While the LDP-Kōmeitō coalition fared well below expectations, obtaining nearly 18 million votes and 47 seats, the opposition secured 78 seats, leading the LDP-Kōmeitō to lose its majority in the upper house of the Japanese Diet. Under these circumstances, after having already lost the majority in the 2024 Lower House election, the LDP-Kōmeitō coalition lost control of the Upper House as well. For the first time in the country's postwar history, the ruling party had lost control of both houses of the Diet. By contrast, emerging parties such as the DPFP and Sanseitō achieved significant political success. In particular, Sanseitō – which may well have benefited from a spike in turnout led by «unaffiliated floating voters» [Lipscy 2025, 27 July] – emerged as veritable political contender, obtaining 7.4 million votes, behind only the DPFP and LDP. Kamiya's group thus secured 12 seats, enough to submit draft legislation to the Diet [Senkyo dotto komu n.d.].

On top of the rise of fringe populist parties, the election results accelerated the early leadership change (*sōsaisen maedaoshi*) process within the LDP. Young lawmakers, a portion of whom had supported Takaichi in the 2024 LDP Presidential election, met in the aftermath of the Upper House election and expressed their lack of confidence in the administration, citing the two major defeats at the 2024 general election and, less than one year later, at the Upper House election. In this regard, young lawmakers lamented the LDP's immobility at its highest levels [Asahi Shimbun 2025, 25 July].

In response, Ishiba expressed his resolve to remain as prime minister amid a slightly rising support rate [Mitsuda 2025, 28 July]. Ishiba's announcement amplified existing resistance against him, given his purported closeness to opposition parties on issues such as inflation and campaign funding regulations [Ozawa 2025, 8 August]. In mid-August, internal consultative procedures to call an early presidential election were underway. Several polls of LDP lawmakers showed that a majority of respondents did not express a clear preference. Among respondents, however, those in favour were overwhelmingly more numerous than those who opposed an early election [Yomiuri Shimbun 2025, 31 August; Jiji Tsūshin 2025, 3 September; TBS News Dig 2025, 6 September]. Such reticence is illustrative of the uncertainty caused by internal strife within the LDP over the formation of a new parliamentary majority to carry out inflation reduction policies and political reforms [Tōkyō Shimbun 2025, 28 August].

A significant turning point was reached in early September, after Moriyama Hiroshi, the LDP Secretary-General, announced his intention to step down, assuming responsibility for the party's recent political debacle. Following Moriyama's lead, Onodera Itsunori – chairperson of the

LDP political council and a key Ishiba ally – along with Suzuki Shun'ichi, chairperson of the LDP General Council and a close ally of LDP party heavyweight Asō Tarō, and Kihara Seiji, president of the LDP Election Strategy Committee and a former close aide to Prime Minister Kishida, all tendered their resignations to Ishiba. Concomitantly, the influential Asō declared that he was considering asking the party to organize an early presidential vote [Ninivaggi & Semans 2025, 4 September].

Against this backdrop of mounting pressure, on September 7, Ishiba finally announced that he was stepping down, describing his decision as «excruciating» but necessary to avert the risk of inexorably splitting the party [NHK 2025, 7 September]. Nonetheless, the public perception of Ishiba's resignation was that of a machination against the prime minister organized by the very politicians – particularly those formerly affiliated with Abe's Seiwakai – that had contributed to the LDP's progressive loss of legitimacy [Yamaguchi 2025].

2.7. *The LDP after Ishiba: The Takaichi restoration*

Soon after Ishiba's announcement, Motegi Toshimitsu – former Minister of Foreign Affairs and LDP Secretary-General under the Kishida presidency – officially formalized his candidacy. He was followed by Kobayashi Takayuki and Hayashi Yoshimasa, the Chief Cabinet Secretary in the Ishiba administration. On September 19 and 20, respectively, the two expected frontrunners for the presidency, Takaichi Sanae and Koizumi Shinjirō, announced their candidacies.

Takaichi, a former Minister of Internal Affairs and Communications within the second Abe administration (2012-2017 and 2019-2020) and Minister of Economic Security under Prime Minister Kishida, had emerged in the 2024 LDP presidential election as a serious contender to Ishiba for the party leadership, although she was ultimately defeated. Fashioning herself as the only *de facto* political heir to former Prime Minister Abe [Uchida & Tanaka 2025, 23 October], she ran again in 2025, pledging to push «Japan to the top of the world again» [Harris 2025, 20 September]. Her main contender, Koizumi, had placed third in the 2024 LDP presidential election and later backed Ishiba's bid in the runoff; he had finally risen to prominence as the minister in charge of tackling the 2025 rice price crisis. As opposed to Takaichi, in the 2025 LDP Presidential election, Koizumi represented the less ideologically conservative fraction of the party, embodying the pragmatic and inclusive approach characterized by Harris as Japanese-style «one nation conservatism», a current with which former Prime Ministers Ishiba and Suga Yoshihide may be associated [Harris 2025, 21 September].

However, having secured 183 votes in the first round and 185 in the runoff election against Koizumi on October 4, Takaichi emerged as the winner and the first woman ever to serve as LDP President. A few days later, on October 21, after being appointed by the Diet with 237 votes – four more

than the required majority of 233 [Tere Tō BIZ 2025, 21 October] – she doubled down as the first woman to serve as the prime minister of Japan in the country's modern history.[3]

As she stressed in her first press conference, the new prime minister would «work tirelessly and resolutely without being afraid of change for the sake of the Japanese nation and the people» to build a «stronger» Japan and protect the «national interest». To do this, quoting her mentor Abe, Takaichi would «take Japanese diplomacy back to its heyday at the very centre of the world» (*Sekai no mannaka de sakihokoru Nippon gaikō o torimodosu*). Hence, given the domestic and external crises Japan faced, the newly appointed prime minister promised to «move at top speed» from the very first day in office [TBS News DIG 2025, 21 October]. According to Ono Yoshikuni, the appointment of a woman as the party and government leader put Japan on a par with other Asian democracies, such as the Republic of Korea and Taiwan (where female politicians such as Park Geun-hye and Tsai Ing-wen had served as Presidents), but at the same time exposed Takaichi to the risk of being replaced more easily by a male leader should she not deliver on rebuilding the voters' trust in the LDP. Therefore, to stay in power, she would need to win and maintain a strong popular mandate [Ono 2025, 17 December].

In this sense, it is worth stressing that between October and December 2025, cabinet support rates had consistently been above 60%, in stark contrast with her predecessor Ishiba and on a par with the administrations led by Hatoyama Yukio (2009), Suga Yoshihide (2020), Hosokawa Morihiro (1993) and Abe Shinzō (2013) [Yomiuri Shimbun 2026, 19 February]. The new prime minister's popularity, as opposed to a widespread dislike of the LDP, gave Takaichi the upper hand to strengthen her grip on the LDP and pursue her personal political agenda.

As briefly mentioned above, Takaichi hails from a conservative faction of the LDP, which became hegemonic within the party under former Prime Minister Abe between 2012 and 2020. This political current is rooted in a form of ideological conservatism attached to national history and traditions, which should act as a social glue within the party and in the nation at large [Harris 2025, 20 September].

As clearly illustrated by Nakano Kōichi in his seminal work on Japan's «shift to the right» [Nakano 2015], these core principles constitute a new brand of «sincere conservatism» (*Shinhoshu*) [Nakano 2015] whose political attractiveness was being revived by Takaichi.[4] At the policy level, Jap-

3. CDP leader Noda Yoshihiko placed second with 149 votes, and DPFP leader Tamaki Yūichirō came in third with 28 votes.

4. This political tradition emerged in Japan starting in the mid-1980s, gradually emerging as a political force after the formation of the non-LDP cabinets in 1992 and 1993. Its leaders have consistently defended the need to abandon the so-called postwar regime by promoting reforms aimed at normalizing and strengthening state

anese «sincere conservatives», despite their ideological similarities with the international «New Right» of Thatcher and Reagan in the 1980s, promote new forms of nationalism and even statism in their defence of neoliberalism and structural reforms to institutional and social arrangements – for instance, in strategic sectors of the economy or to enhance social control and surveillance.

After the LDP's demise in 2009, building a «strong(er) state» became a priority, particularly for political leaders such as Abe Shinzō, who led the LDP to a political comeback in 2012. This resolution translated into legislative initiatives on Japan's domestic and external security. Under the banner of «Take back Japan», the Abe administration moved to strengthen the domestic security environment through a series of legislative initiatives, including the enactment of a state secrecy law (*tokutei himitsu hogo hō*) in 2013 and of an anti-conspiracy law (*kyōbōzai-hō*) designed to implement the UN Convention against Transnational Crime in 2017.

Furthermore, and concomitantly, under Abe, the Japanese government took steps to «normalize» the country's defence sector, gradually relinquishing its postwar pacifist image. First, the Prime Minister's Office's control of national security and defence policies was expanded with the institution of the National Security Council (NSC). Second, the cabinet reinterpreted Article 9 of the postwar constitution by cabinet decision, allowing the exercise of collective self-defence. Third, Tokyo removed a self-imposed five-decade-old ban on arms exports. Finally, the 2015 Peace and Security legislation was adopted, which critically contributed to expanding the JSDF's engagement and material capacities in both UN-led international missions and military activities with – particularly, but not limited to – U.S. Forces [Pugliese 2015; 2016].

A common denominator of these initiatives was the leadership of the Prime Minister's Office and, particularly, of the prime minister's key advisors, such as former bureaucrats Hasegawa Eiichi, Izumi Hiroto, and Imai Takaya, who under Abe were able to exert unprecedented influence over policymaking [Pugliese & Wallace 2021; Nakakita 2022]. Between 2012 and 2020, limited internal consultation, swift deliberation, and the top-down enactment of several key initiatives – in the security domain and beyond – were perceived as instrumental in responding to a rapidly changing international environment [Makihara 2013]. This arrangement was also made pos-

institutions, including the military, highlighting their attachment to purported Japanese cultural and social traditions. *Shinhoshu* leaders have nonetheless resorted to a reform-oriented rhetoric with regard to the economic domain, arguing for deregulation and a reduced state role in the economy. Most relevantly in Abe's case, they have emerged as populist leaders themselves. Former PM Nakasone is considered to be the initiator of this tradition within the LDP, although figures as Hiranuma Takeo, Nakagawa Shōichi, Asō Tarō and Abe Shinzō rose in influence in the 2000s and 2010s [see Nakano 2015; Sakaiya 2023].

sible by the agency of former Chief Cabinet Secretary Suga Yoshihide and administrative Deputy Chief Cabinet Secretary Sugita Kazuhiro who were tasked with strictly overseeing personnel appointments within the ministerial bureaucracy [Pugliese & Wallace 2021, p. 112].

Undoubtedly, the Abe decade offers a powerful precedent for Japanese conservative leaders willing to streamline policy and decision-making processes. However, the preconditions for a new political stability under Takaichi, at least by the end of 2025, seemed more fragile and vulnerable, as the new prime minister had not yet consolidated her power within the party or over the nation. Before moving on to discussing the formation of the Takaichi cabinet, let us now turn to Takaichi's political program.

2.7.1. *Takaichi's main tenets: a stronger state supported by «responsible» expansionary fiscal policy*

Several major items in her political agenda have been collected in her 2024 edited book «Research on National Power» (*Kokuryoku kenkyū*, Sankei 2024). The book is a collection of essays on diplomacy, security, defence, and economics written by Takaichi herself and her closest policy advisors, including former Ambassador to Australia Yamagami Shingo, Oue Sadamasa, a former Air SDF general, economist Kato Koko, and former Abe advisor on security issues Kanehara Nobukatsu. The book revolves around the concept of «strength», articulated in terms of diplomatic, informational, defence, economic, and technological strength. Particularly, Japanese authorities are urged to (a) adopt a more robust and uncompromising approach to China; (b) create the institutional and material conditions for a better management of classified information; (c) enhance the role of the JSDF and continue developing counterstrike capabilities; (d) return to a high-pressure economy through monetary easing and expansionary fiscal policy aimed at creating surplus demand; (e) encourage the birth and development of new strategic industries; and (f) foster human resource development for the new era.

In the introductory chapter, Takaichi frames the need to adopt policies aimed at strengthening Japan's «national power» (*kokuryoku*) against the backdrop of a growing sense of strategic encirclement by the Chinese, Russian, and North Korean militaries. Regarding regional tensions, Takaichi stresses the need to strengthen strategic cooperation as the best option to deter China from attacking Taiwan and to keep a prudent approach [Takaichi 2024, p. 12]. The path that Japan would need to follow is to be found in the 2013 National Defence Strategy and in its 2022 expansion, which more decisively stresses the importance of protecting the citizens' livelihood through economic and technological means. Significantly, in Takaichi's view, defending Japan against the threat of nuclear powers would naturally entail the revision of the three anti-nuclear principles, for example in al-

lowing the temporary use of the Japanese airspace to U.S. nuclear bombers [Takaichi 2024, p. 22].

However, focusing solely on the traditional dimension of security would not strengthen Japan. This, according to Takaichi, can only be reached through a proactive engagement with both traditional and non-traditional dimensions of security, including food, energy, and, more broadly, economic security. Besides following up on the strengthening of the national security apparatus and on the expansion of the JSDF military capabilities through an increase of military spending, in fact, it is on this element that Takaichi laid a renewed emphasis. Particularly, she saw reducing Tokyo's dependence on value chains centred on China as indispensable. Concomitantly, she aimed to foster the country's food and energy self-sufficiency through investment in advanced research in critical sectors, including biotechnologies, new materials, energy conservation, and nuclear fusion.

Furthermore, she argued for renewed public-private activism in key sectors of the global economy, such as AI and semiconductors, to revive Japan's economy. Being resource- and energy-intensive, the expansion of these activities would require an overhaul of the country's power supply. To increase energy input, Takaichi envisioned using Small Modular Reactors (SMRs) and, by 2030, nuclear fusion. Here emerges the interconnectedness between military and civilian domains in Takaichi's plan for a «stronger» Japan. In fact, increased public and private investments in the defence sector would contribute significantly to the country's future growth, insofar as profitable civilian spinouts emerge [Takaichi 2024, pp. 18-22].

In economic terms, Takaichi appears to be influenced by Modern Monetary Theory (MMT), a post-Keynesian approach to macroeconomics, which prescribes that countries like Japan, which enjoy monetary sovereignty, cannot default on their debt as long as they uphold the right to issue currency. Based on this rationale, states with a sovereign currency can promote public spending and are virtually unconstrained by tax revenues. In *Research on National Power*, one of Takaichi's economic policy advisors, Wakatabe Masazumi, a Waseda University professor of Economics and deputy governor of the Bank of Japan (BoJ) between 2018 and 2023, argued for the need to establish a new national economic strategy based on a high-pressure economy (HPE, *kōatsu keizai*) and its integrated management (*tōgō un'ei*) by the government and the central bank. To summarize, HPE is based on increased public spending and low central interest rates. Under these circumstances, the economy would, in turn, overheat, leading to inflation, along with more and better-paid jobs that would help individuals withstand rising living costs. To maintain said condition, coordinated action on the economy by the government and the central bank, acting as a single entity, is fundamental to avoid a return to deflationary tendencies [Wakatabe 2024, p. 236]. While defending a generally dovish approach to fiscal policy, Wakatabe also

stressed the importance of a «responsible» expansionary fiscal policy (*sekinin aru sekkyoku zaisei*) and a balance between economic growth and national security, all items which were reflected in Takaichi's speeches since she announced her intention to run for the LDP presidency in September 2025 [Harris 2025, 20 September].

Whatever the interpretation of the term «responsible», Wakatabe's words were echoed by Takaichi. The new administration pledged to upend fiscal consolidation and resort to reflationary measures, causing the relationship between the government and the BoJ to become strained. As previously illustrated in this journal, Japan's central bank's policy has gradually shifted away from unconventional monetary policy, raising interest rates [Yamamoto & Zappa 2025], a policy direction which starkly contrasts with Takaichi's reflationary plans based on low or negative interest rates. In fact, in the aftermath of the inauguration of the Takaichi administration, financial markets reacted negatively due to a perceived increase in fiscal risk associated with Tokyo's purported economic policies, with Japanese bond yields rising in December and the yen continuing its downward trend [Nagumo & Kim 2025, 21 November].

Considering the above, Takaichi's election at the helm of the LDP and, later, of the Japanese government, had repercussions on political arrangements within and without the LDP. On the one hand, it shifted the LDP's internal balance of power back to the «right». Three out of five top party executives – Arimura Haruko, Asō Tarō and Suzuki Shunichi – hailed from the Asō faction. The former prime minister, minister of Finance and longtime Abe associate was reappointed LDP vice president after two years serving as senior advisor under Ishiba. Suzuki, himself a former Minister of Finance and Asō's brother-in-law, was appointed secretary-general while Arimura was assigned to the General Council. The two other top posts – chair of the Policy Research Council and chair of the Election Strategy Committee – went to Kobayashi Takayuki, two-time LDP presidential candidate and former minister of Economic Security, and Furuya Keiji, a party veteran who had worked with Abe and backed Takaichi's 2025 LDP presidential bid, respectively. By contrast, cabinet appointments seemed more inclusive: moderate reformists such as Koizumi Shinjirō and Hayashi Yoshimasa retained key posts as Minister of Defence and Minister for Internal Affairs and Communications, respectively. Even more striking was the confirmation of Akazawa, one of Ishiba's closest allies and top negotiator with the U.S., as Minister of Economy, Trade and Industry [The Asahi Shimbun 2025, 7 October]. Despite the historic significance of Takaichi's election in terms of gender equality in Japan, the number of women appointed to cabinet positions was limited to two (though at least one in a key position): Katayama Satsuki – a former Ministry of Finance bureaucrat and one of the so-called «Koizumi's children» who ascended party ranks

in the mid-2000s[5] – as minister of Finance; and Onoda Kimi – a young lawmaker of Japanese-American descent, graduate of the LDP School of Government and Management and Takaichi's protégé – as minister of Economic Security and minister in charge of a Society of Well-Ordered and Harmonious Coexistence with Foreign Nationals. This latter role was created in response to growing public concern about immigration – a key political leverage for openly xenophobic parties such as Sanseitō [Inoue 2025, 23 October].

In particular, with regard to newly emerged political arrangements, the 26-year-old LDP-Kōmeitō alliance was scrapped due to reported «policy differences» over political fundraising reforms. Frictions between the two parties emerged in the aftermath of Takaichi's election as LDP president. On top of choosing Asō Tarō, who, in 2023, infamously labelled the Kōmeitō leadership a «cancer» slowing down the adoption of counterstrike capabilities, as LDP vice president [Tōkyō Shimbun 2023, 29 September], Takaichi appointed former Abe faction co-leader Hagiuda Kōichi acting secretary-general of the party, reinstating him at the highest levels of the party leadership after a one-year suspension due to his role in the kickback scandal of 2023. Hence, concealed behind the Kōmeitō justification for exiting the alliance was, more concretely, Kōmeitō leader Saitō Tetsuo's concern for the organization's own political image as a «clean party» and, thus, its own survival in the context of a persisting political decline tied to the ageing membership of its parent religious organization, Sōka Gakkai [Crabtree et al. 2025; Pugliese & Zappa 2024, pp. 78-79].

2.8. *Exit Kōmeitō, enter the Japan Innovation Party*

In light of the above, the Kōmeitō announced that it was withdrawing its support for the LDP's candidate in the October 21 vote to elect a new prime minister, pushing the LDP to decisively seek an alliance with the JIP. One day ahead of the vote, Takaichi and JIP leader Yoshimura Hirofumi signed a 12-point agreement formalizing the alliance between the two parties, thus setting up a common policy agenda based on the idea of a «comeback» of Japan (*Nippon saiki*), mixing nationalism and managerial efficiency.

Among the items listed in the LDP-JIP 12-point agreement were: (a) a review of the tax system, the renewal of energy subsidies, and the creation of a government agency tasked with eliminating public spending inefficiencies and boost the effectiveness of government policies, modelled after the U.S. Department of Government Efficiency (DOGE); (b) a review of the national health insurance system to reduce healthcare-related costs for citizens of working age, and a rethinking of the definition of «senior» to allow more

5. This expression refers to the 83 new members of the National Diet elected in the LDP landslide victory at the 2005 general election, under Koizumi Jun'ichirō's leadership.

people to stay in their job after retirement; (c) a reform of the imperial household law allowing for the adoption of individuals into the imperial line to maintain the male lineage; a sweeping constitutional revision that would amend Art. 9 to enhance the Japan Self Defense Forces (JSDF) legitimacy and introduce a «state of emergency clause» (*kinkyū jitai jōkō*) that would give emergency powers to the government in case of natural disasters, pandemics, military aggression or terror attacks; (d) the strengthening of Japan's defence and intelligence capabilities; (e) the restart of nuclear reactors to enhance the country's energy security and self-sufficiency; (f) the promotion of initiatives aimed at countering the demographic decline and strengthening immigration control, introducing sanctions for foreigners who commit crimes or abuses and a tightening of the government controls on foreign investments, particularly in the real estate sector; (g) educational reforms at all levels, including the reduction of the number and scale of universities according to the current population levels and increased investments in basic research in science and technology; (h) a reform of local governance and of the electoral system which would eliminate the single-seat and proportional hybrid voting system with a consequent reduction of the number of Diet members [Nihon Keizai Shimbun 2025, 20 October].

Under the agreement, Takaichi secured the JIP's support, which held a total of 54 seats in both houses of the Diet, toward the nomination [Asahi Shimbun 2025, 21 October]. At the same time, JIP maintained a cautious approach to any of its lawmakers' direct participation in the government and pledged «external support» in a so-called «confidence and supply» arrangement [Crabtree & Golder 2025].

In turn, this political alignment was instrumental in pushing an ¥18.3 trillion (nearly €100 billion) extra budget for fiscal year 2025 through the Diet in November. The measures included in the stimulus package signalled a first apparent contradiction in the new cabinet's approach to economic and fiscal policy. In fact, soon after the launch of her administration in October, Takaichi announced that she would reverse her predecessor's policy to distribute cash handouts to Japanese families and instead would swiftly move to abolish a provisional fuel tax and increase the threshold on taxable income to tackle rising living costs, as urged by the JIP and opposition parties such as the DPFP. However, in the Diet-approved stimulus package, in addition to a fresh injection of public finances into crisis management and growth investment, energy and subsidies, and incentives for child-rearing families were continued, sparking further concern about the stability of Japanese public finances [Shinkai 2025, 16 December]. In late December, the government approved a draft budget for fiscal 2026 amounting to a record ¥122.3 trillion (€667 billion). The bill included an increase in defence spending to 2% of the GDP, combined with rising costs for both social security and debt servicing [Nippon.com 2026, 9 January]. The proposed hike in defence spending allowed the Takaichi administration to reach a target

established by the Kishida administration in 2022 two years earlier than originally planned (see section 3.3).

3. *International Affairs*

Japan's foreign policy in 2025 was influenced by two key events: the return of Donald Trump as the 47th President of the United States in January and the LDP election of Takaichi Sanae as prime minister, a former protégé and ideological ally of Abe Shinzō, who succeeded Ishiba Shigeru in October.

These developments, while significant, have not altered the trajectory Abe successfully embedded at the core of Japan's strategic thinking: the «normalization» of its foreign and security policy to address the increasing geopolitical tensions in the region. The normalization process entails a gradual abandonment of Japan's postwar anti-militarist stance and the adoption of *Realpolitik* as the country's primary guiding principle in international affairs [Pugliese & Patalano 2020]. Also in 2025, nothing indicated that Japan is deviating from following «Abe Shinzō's footsteps» [Pugliese & Zappa 2024].

What has changed is the underlying motivation to adopt a more robust security policy. While it was previously driven mainly by China's rise, it has increasingly centred on concerns about the U.S. commitment to defend Japan, which was once regarded as the unquestionable bedrock of the country's security structure. Consequently, two distinct approaches emerged, represented by Ishiba and Takaichi, reflecting their differing views on the U.S.'s role in the country's strategic outlook. Ishiba believed that Japan should not rely fully on the U.S. in its foreign and security policy and needed to hedge, whereas Takaichi saw the alliance as indispensable and believed that everything must be done to maintain it. This section, which analyzes Japan's foreign policy in 2025, is mainly structured around Prime Minister Ishiba's approach, which is then contrasted with the approach of Takaichi, who took office in October 2025.

3.1. *Trump's return and his «America First» approach*

Unlike in 2016, when Trump won the U.S. election for the first time, Japanese policymakers were not particularly surprised by his 2024 re-election and his return. However, the foreign policy establishment in Japan significantly underestimated the speed and global impact of the policies he pursued upon returning to office. In the authors' discussions with Japanese policy experts in late 2024, shortly before the U.S. election, there was a prevailing view that Trump, in his second term, would primarily focus on domestic issues, given the various lawsuits he had faced during his first term (personal communication).

This perspective was quickly proven wrong following Trump's assumption of power in January 2025. The speed and gravity of his decisions regarding U.S. foreign and security policy were unprecedented, as he circumvented Congress by exercising authority primarily through executive orders. Trump's return to power posed three challenges to Japan: the threat of imposing high tariffs, demands to increase the military burden, and withdrawal from multilateral agreements, including those on free trade, nuclear non-proliferation, and environmental issues [Gaens 2025, 14 January].

While Trump had forged a strong friendship with the late Prime Minister Abe, many decision-makers came to believe that he harboured resentment toward Japan, based on remarks he had made about Japan since the 1980s. Trump accused Japan of «ripping off» the U.S. by «dumping» products into its market without offering equivalent access, despite the military protection the U.S. provides. Based on this view, he has been insisting that Japan «must pay its fair share» [Tawfik 2025, 8 February]. Trump's announcement of tariffs, which were widely regarded as economic coercion, came as a shock. In a rare occurrence, lawmaker Oguma Shinji of the CDP openly and harshly criticized the U.S. president following the announcement of tariffs, characterizing the president as a «delinquent kid extorting somebody» and urging Japanese Foreign Minister Iwaya Takeshi to resist Trump's demands [Aitken 2025, 8 April].

The tone of the Trump Administration towards Japan was not exclusively negative. Trump stated the U.S.'s «unwavering commitment to the defense of Japan» in the Joint Leaders' Statement [The White House 2025, 7 February]. Secretary of War Pete Hegseth described Japan as an «indispensable partner» and reaffirmed that the U.S.-Japan alliance is a key part of security in the Indo-Pacific aimed at deterring Chinese aggression [U.S. Department of War 2025b, 30 March]. Nevertheless, Japan's perception of partnership with the U.S. fundamentally changed, shifting from one based on shared values and trust to a more transactional one. The new approach of Trump became very clear during the February 2025 visit of Ukrainian President Volodymyr Zelensky, who was humiliated by him and Vice President J.D. Vance before the press. «Make a deal, or we're out» was a remark that certainly stuck in the minds of the Japanese officials who were shocked by this episode [International Crisis Group 2025, 12 December]. Although Trump's second term significantly impacted public trust in the alliance, it was not the sole factor. President Joe Biden's decision to veto Nippon Steel's acquisition of U.S. Steel, citing national security concerns, also contributed to this perception [Sherman 2025, 4 January].

3.2. *Ishiba's hedging approach*

Ideologically, Ishiba is not a dove. As a self-proclaimed *gunji otaku* (military enthusiast), he has consistently advocated strengthening the role of the JSDF, thereby challenging the country's postwar antimilitarist stance. In his

capacity as the Director-General of the Defense Agency from 2002 to 2004 under the Koizumi administration, he was central in dispatching 500 SDF troops to Iraq following the 9/11 attacks in the U.S. Later, he also served as Minister of Defense from 2007 to 2008 in the cabinet of Prime Minister Fukuda Yasuo. Given the numerous defence-related posts, he was convinced that the Japanese constitution required revision to clarify the legality of the SDF and its participation in collective self-defence [Aurstad 2025, 17 December; Jiji Press 2025, 3 May].

In a speech at the Hudson Institute, delivered shortly before becoming prime minister, Ishiba restated the importance of the SDF and security cooperation, which he argued has become even more crucial since Russia's war of aggression against. Like his predecessor, Kishida Fumio, he repeatedly warned that «Ukraine today is Asia tomorrow». To tackle Japan's security challenges, he has proposed establishing a NATO-like organization in Asia and revising the Status of Forces Agreement (SOFA) [Ishiba 2024, 25 September].

When he took office, his ideas were quickly disregarded as being unrealistic. Southeast Asian countries, as members of ASEAN, which pursue neutrality, would not be willing to join a military alliance, and the U.S. would not relinquish its privileged position in Japan. The possibility of developing any alternative was certainly constrained by his ruling coalition's loss of the parliamentary majority, which made policy changes difficult. Moreover, he was occupied addressing the adverse effects of Trump's policies targeting Japan, leaving little time to develop his own initiatives. Therefore, Ishiba was more reactive and continued to pursue Abe's signature Free and Open Indo-Pacific vision, as did Kishida and other predecessors [Koga 2025, p. 17].

The three key security documents provided by the Kishida administration at the end of 2022, namely the National Security Strategy (NSS), the National Defense Strategy (NDS), and the Defense Buildup Program, continued to provide the key policy framework for Ishiba [MoD 2025, p. 19]. At their core, they identify China, North Korea, and Russia as the greatest security threats, requiring increased defence spending to 2% of GDP by 2027. Introducing deterrence through the adoption of counterstrike capabilities is seen as necessary to maintain Japan's national security. Internationally, Japan continues to build partnerships to protect the rules-based international order.

Similar to Kishida's approach, the Ishiba administration focused on: (a) strengthening Japan's own autonomy and defence posture; (b) keeping U.S. engagement in the region; (c) deepening and extending security partnerships in the region; and (d) improving relations with China [Yamamoto & Zappa 2025, pp. 104-05].

3.2.1. *Strengthening Japan's own autonomy and defence posture*

As regards Japan's defence autonomy, Ishiba's term was primarily characterized by the implementation of policies that were adopted by his predecessor,

Kishida. Those policies were the result of Trump's first term, which placed significant pressure on Japan to increase its defence autonomy. However, it is undeniable that the implementation of those policies was also driven by the increasing concern about the reliability of the U.S.-Japan alliance.

Ishiba continued Kishida's ambition, as prominently featured in the NSS, to increase defence spending to 2% of GDP by FY 2027. The Japanese defence budget for FY 2025 was ¥8.6 trillion (approximately €46 billion), a 9.5% increase and a record high. The increased budget serves the acquisition of counterstrike capabilities, munitions stockpiles, integrated air and missile defence, and drones, particularly to enhance coastal defences [Semans 2025, 27 December; Johnson 2025, 29 August].

Another important idea of the NSS, brought to life under Ishiba, was the JSDF Joint Operations Command (JJOC) within the Ministry of Defence (MOD) and the JSDF on 24 March to break the siloed command structure. Issues of command structure became evident following the 2011 Great East Japan Earthquake, which required coordination between JSDF and the U.S. military. The new Command, with a staff of approximately 240 under the inaugural Air Force General Nagumo Kenichirō, is tasked with commanding and controlling major units of the Ground, Maritime, and Air Self-Defence Forces. The goal is to facilitate seamless cross-domain operations, including units operating in the space and cyber domains. This structural integration is particularly important for the country's build-up of counterstrike capabilities. In addition, the JJOC enhances interoperability through real-time coordination and information sharing with other forces, particularly the U.S. Indo-Pacific Command and U.S. Forces Japan, to address crises and disasters jointly [The Sankei Shimbun 2025, 25 March]. Defence Secretary Pete Hegseth reiterated the importance of the JJOC, stating that it would enhance «[the] readiness to respond to [any] contingency or crisis, support U.S. operations and help Japan and U.S. forces defend [Japan's] territory» [U.S. Department of War 2025a, 30 March].

Ishiba did not only address problems within the military command structure. He also aimed to enhance the integration of civil and military personnel, challenging Japan's previous strict «civilian control» in favour of more informed security decision-making. In a speech, Ishiba stated that «it is both the right and duty as SDF officers to offer expert views to politicians regarding legal frameworks, equipment and unit operations for our national defense» [Prime Minister's Office of Japan 2025, 30 June].

Ishiba also continued to address the SDF staff shortage, which is partly attributable to Japan's ageing society [Oros 2017]. In 2024, the SDF aimed to recruit 15,000 new members, but fewer than 10,000 positions were filled. More than 10% of the total 247,000 positions could not be filled, marking the lowest rate in the last 25 years. His initiatives to address the shortage aimed to make the SDF a more attractive employer by, among other things, increasing salaries, expanding support for re-employment after retirement, and raising

allowances to supplement wages at new jobs. The question that remains unaddressed is how to attract highly specialized personnel required for cyber defence, a central aspect of Japan's NSS [The Mainichi 2025, 18 July].

The last important aspect contributing to increasing defence autonomy, which Ishiba also addressed, was the expansion of Japan's domestic arms industry to reduce costs and strengthen its autonomous defence posture. This is envisaged to be achieved, in part, through joint weapons development with allies and like-minded partners [Kyodo News 2025, 9 April; Gale 2025, 22 May].

3.2.2. *Maintaining a good relationship with the U.S. and securing the alliance*

Addressing the adverse effects of Trump's new international approach on Japan while maintaining good relations with the U.S. to secure the alliance has arguably been Ishiba's greatest challenge. Disapproving of Trump's foreign policy, he had great concerns about his first meeting with him. To prevent any conflict, he held multiple «study sessions» with people who know Trump well, including staff, Kishida, and Abe Akie, the widow of Prime Minister Abe. He concluded the meeting with a positive Joint Leaders' Statement by keeping matters simple, avoiding sensitive issues, and focusing primarily on Japanese investments in the U.S. [Khalil 2025, 9 February]. Clearly, this was not a meeting between partners to deepen trust and coordinate policies but to limit potential damage.

As illustrated above, the first major shock for Ishiba came in April, when Trump announced plans to impose a special 25% tariff on Japanese imports, citing a large trade imbalance. More importantly for this section, the «Trump shock» had natural implications for Japan's security. As in his first term, Trump also criticized Japan's low defence spending [Harold 2017, 3 March]. He accused the alliance structure of being an «unfair deal» because Japan would not protect the U.S. and was making a «fortune» from it [The Asahi Shimbun 2025, 7 March]. There was no acknowledgement that, since the release of the NSS, Japan had been making significant efforts to double the defence budget to 2% of GDP by 2027, despite Japan's struggling economy. Disregarding the economic reality of Japan, Elbridge Colby, the Deputy Assistant Secretary of Defence, went even further, calling the efforts made «manifestly inadequate» and demanding an increase in its defence spending to 3% of GDP. Some reports suggest he even pushed for 3.5% in private meetings [Chan 2025, 6 March]. The prospect of negotiating a new Host Nation Support agreement being made in March 2027 had already raised significant concerns [The Japan Times 2025, 7 September].

Unlike Abe's stance during Trump's first term, Ishiba showed less patience and tolerance for Trump's behaviour, even as Japan continued to rely heavily on the U.S. In an unusual fashion for a Japanese Prime Minister, Ishiba openly expressed his dissatisfaction with the U.S., stating that Japan «determines its own defence spending, not at the direction of any other country»

[Kyodo News 2025, 5 March]. Ishiba's dissatisfaction was not only expressed in words but also in action. Following Colby's remarks, Ishiba cancelled the high-level «two-plus-two» meeting with the U.S [Johnson 2025, 21 June]. Not only that, but Ishiba also abruptly cancelled his trip to a NATO leaders' summit/Indo-Pacific Four (Japan, South Korea, Australia, and New Zealand) in June at The Hague following «Operation Midnight Hammer», in which the U.S. unilaterally decided to conduct military strikes on Iranian nuclear sites [Tang 2025, 23 January]. His discontent with Trump's decision was evident following the attack on Iran, at which he urged a rapid de-escalation at a press conference [Prime Minister's Office of Japan 2025, 22 January].

3.2.3. *Strengthening ties with the EU and regional partners*

Compared with the U.S., the relationship with the EU remains secondary from economic and security perspectives. However, the two regions became increasingly ideologically aligned as the U.S. weakened its support for a multilateral, rule-based order. In January, the EU-Japan Strategic Partnership Agreement (SPA) entered into force, expanding cooperation across political, economic, security, and energy issues. This has led both countries to reaffirm their ambition to protect the rules-based economic order and multilateralism in their EU-Japan joint statement. In addition, they have agreed to increase defence industry collaboration, strengthen supply-chain monitoring (rare earths, batteries), and cooperate on energy security (e.g., LNG) [Yomiuri Shimbun 2025, 16 July].

In addition to strengthening the partnership with the EU, Ishiba continued to reinforce ties with like-minded Indo-Pacific partners. His first trip as a prime minister was to Malaysia and Indonesia, where he reaffirmed the centrality of Free and Open Indo-Pacific (FOIP) and alignment with the ASEAN Outlook on the Indo-Pacific (AOIP). Here, Ishiba aimed to strengthen security cooperation through strategic dialogues, naval exercises, and collaboration on maritime safety and cybersecurity. Further cooperation aimed to strengthen supply-chain resilience and rare-earth development [The Government of Japan 2025, 28 February]. The shifting regional security environment has contributed positively to the relationship between Japan and ASEAN. There is no question that the insecurity caused by the Trump Administration in the region further contributed to this development [Untalan 2025].

The partnership with Korea was also further strengthened. Ishiba held his first summit with South Korean President Lee Jae-myung during the G7 Summit. Further meetings followed, during which they discussed the complete denuclearization of the Korean Peninsula and strategic security cooperation amid growing regional tensions involving North Korea and Russia. The Tokyo summit, at which both countries issued their first joint statement in 17 years, was seen as a breakthrough in a relationship that had long been strained [Sang-ki et al. 2025, 24 August].

New partnerships throughout the Indo-Pacific were built, and security relations were demonstrated through the provision of Official Security Assistance (OSA) to Tonga, Malaysia, Sri Lanka, and Papua New Guinea.

3.2.4. *Improving relations with China*

Already in his inaugural speech in the Diet, Ishiba made clear that he was aiming to «promote a mutually beneficial relationship based on common strategic interests and build up a track record of close communication at all possible levels» with China, following Kishida's approach [Yamamoto & Zappa 2025, p. 105]. This approach, which lowers tensions with China, became even more important for Ishiba amid the unpredictability of the Trump administration.

Early in his tenure, Ishiba met Xi Jinping in Peru in November 2024 on the sidelines of the 31st APEC Economic Leaders' Meeting, where both leaders agreed to promote a «mutually beneficial relationship based on common strategic interests» and to build «constructive and stable Japan-China relations» [The Government of Japan 2025, 17 February]. The leaders discussed resuming seafood imports, which were already agreed under Kishida. Following Japan's release of treated contaminated water from the Fukushima No. 1 nuclear power plant in August 2023, China imposed a ban on all seafood imports from Japan [Pugliese & Zappa 2024; The Asahi Shimbun 2024, 16 November].

LDP Secretary-General Moriyama Hiroshi was particularly active in pushing the dialogue between China and Japan [Kawashima 2025, 31 August]. In March 2025, a high-level economic dialogue, chaired by the two foreign ministers, resumed in Tokyo after meetings between the two countries had been put on hold since 2019 due to political disagreements. A trilateral meeting with South Korea was held that same month to discuss a free trade agreement and to improve strained economic and diplomatic cooperation among the three countries [Fukuta & Sakaki 2025, pp. 1-2]. As a sign of improving Sino-Japanese relations, Vice Premier He Lifeng visited the Expo in Osaka and met with Japanese officials [Xinhua 2025, 7 November].

3.3. *Takaichi Sanae's contrasting approach*

As related in previous sections, Takaichi advanced to the top of the LDP and became prime minister in October 2025. In that short period, her approach towards foreign and security policy became clear, leaving no doubt that the U.S. stands at the centre of Japan's security policy. She made clear that she would put extraordinary effort into following Abe's approach to «making the alliance even greater» during crises [O'Shea & Maslow 2020].

Amid an ongoing economic crisis, one of her first promises upon taking office was to double defence spending by the end of FY 2025, two years ahead of schedule to meet Trump's demands, by adding 1.7 trillion yen

from the supplementary budget. Being in a minority government, making such decisions was difficult, as it required negotiations and concessions from other parties. The extraordinary supplementary budget amounting to 18.3 trillion yen raised questions about long-term fiscal sustainability. Takaichi's announced plans to revise key security documents, including the National Security Strategy (NSS), suggested that she was even envisioning an even higher defence spending [Johnson 2025, 23 October].

Her efforts to do everything to please Trump and secure his support were also notable during his state visit, which she hosted at the magnificent Akasaka Palace in Tokyo on 28 October, where abundant golden decorations complemented his taste. For his visit, she placed an enormous American Ford F-150 truck next to U.S.-made Japanese automobiles in front of the palace, indicating Japan's intention to import more U.S. cars to address the trade deficit. The message displayed clearly differed from that of Ishiba, who, in April, before the Parliament, accused U.S. manufacturing of being solely responsible for the lack of market share due to a «lack of understanding for road conditions and housing situations, as well as energy conservation» [Yamaguchi 2025, 28 October].

Takaichi did not hold back to please the U.S. A full military guard of honour and band welcomed the president. She presented Trump with a golf bag signed by the Japanese golfer Hideki Matsuyama, along with a gold-leaf golf ball and a putter that belonged to Abe. To demonstrate support for U.S. agriculture, American rice and American beef were served with Japanese vegetables, a gesture that should not be underestimated in a country so proud of its rice. During the meeting, Takaichi not only promised to increase imports of U.S.-made cars but also expressed her intention to nominate Trump for the Nobel Peace Prize [Takahashi 2025, 19 December]. Trump was visibly pleased with his treatment, as evidenced by his smile captured in a selfie with Takaichi and by his comment that «we became very close friends all of a sudden» [Ota 2025, 29 October].

On the other hand, Takaichi did not continue her predecessors' efforts to proactively reduce tensions with China. The improving relationship suddenly worsened again when Takaichi stated that a Chinese attack on democratically ruled Taiwan posed an existential threat and could trigger a military response from Tokyo [Ninivaggi 2025, 10 November]. While this position is not new, other prime ministers refrained from stating it to avoid tensions with China. Although this comment was not intended and emerged unintentionally during a heated debate, Takaichi did not retract it, leading to a strong diplomatic, economic and military response from China.

In addition to official protest remarks from Beijing, Xue Jian, China's consul-general in Osaka, called Prime Minister Sanae Takaichi a «stupid politician» whose head needed to be «chopped off» [The Japan Times 2025, 12 November]. China also targeted Japan with export restrictions on dual-use technologies, including rare earth elements, permanent mag-

nets, and other critical minerals required to produce defence technologies [Baskaran & Schwartz 2026, 13 January]. It also warned its citizens not to visit Japan during the Chinese New Year, citing a surge in crimes targeting Chinese citizens, which led to a 45% decrease in tourism. Next to those measures, China increased its military presence in the East China Sea, deploying more than 100 naval and coast guard vessels, an unusually high number, across East Asian waters. In addition, a Chinese J-15 fighter locked its radar on an Air Self Defence Force F-15 fighter that had scrambled in response to a potential airspace violation [The Asahi Shimbun 2025, 5 December; The Asahi Shimbun 2025, 8 December]. While China clearly aimed to harm Takaichi's reputation, the measure had the opposite effect, leading to widespread public support for the opposition to the Chinese measure.

4. *Conclusion*

Domestically and internationally, the year in review was marked by unprecedented turbulence, driven by political instability in Japan and rapidly shifting geopolitical developments. These factors, combined, led to a redefinition of the political power balance domestically and, consequently to a partial readjustment of Japan's diplomatic strategy, oscillating between the need to cultivate strong relations with the U.S., locking Washington in the Asia-Pacific, and the urge to maintain a peaceful coexistence with China, while reducing its dependency. This paper has highlighted both the continuities and the elements of disjuncture which have characterized Japan in 2025.

Domestically, the turbulence was characterized by the LDP and Kōmeitō losing their majority in both Houses of the National Diet. Japan's decade-long political stability was in shambles with xenophobic populism on the rise.

On the one hand, the leadership of Prime Minister Ishiba was severely limited by internal political strife. The result of this infighting, however, was a return to power for the more conservative factions of the LDP, centred on veteran Asō Tarō's charisma and embodied by Japan's first female LDP leader and first female Prime Minister, Takaichi Sanae, who emerged as the strongest supporter of the late Abe Shinzō's political legacy. Coincidentally, Takaichi's rise caused a radical rearrangement of historically consolidated political alignments, first and foremost that of the LDP-Kōmeitō coalition. Acting from the minority camp during 2025, the LDP – under both Ishiba and Takaichi – had to seek cooperation from opposition parties, given the CDP's control of key committees within the Diet. Consequently, the government had to regularly manage the risk of a no-confidence vote by making concessions (both rhetorical and practical) to the opposition.

Notably, the LDP could count on the JIP as an emerging new coalition partner, capable of supporting the LDP with its 54 Diet members in attempts to push legislation through the Diet. This cooperation, as demonstrated above, was instrumental in passing the 2025 budget in March and in electing Takaichi as Prime Minister later in October, following her ascent to the LDP leadership. Naturally, particularly after signing the 12-point agreement, the LDP had to integrate core principles and policy items put forward by the JIP into its political agenda.

On the other hand, following the 2025 collapse of the LDP's political hegemony, the political balance of power tilted toward fringe populist parties, such as Sanseitō and the DPFP. Capitalizing on a large portion of the public opinion which felt left behind by Kishida (and Ishiba)'s policies aimed at forging a new form of capitalism, overwhelmed by price hikes and taxes, and, finally, threatened by scores of foreign residents, immigrants and disrespectful tourists, these parties have benefited from the LDP's tainted image and political indecisiveness. Takaichi's ascension to the Party presidency and premiership contributed to partially reverse such course. Upon her election in October 2025, she was able to attract a conspicuous approval rate, setting her apart from her predecessors Ishiba and Kishida. Although the LDP's position was still precarious by late December 2025, a rebound in popularity, not much for the LDP than for Takaichi herself, can be expected. In much the same manner as Abe did more than a decade ago, Takaichi seemed to be on course to reshape the LDP and the cabinet in a more personalist way. The turbulent state of affairs both at home and abroad may provide her the right leverage to accelerate the concomitant processes of realigning the ruling bloc on a more conservative-neoliberal agenda in domestic affairs and gear it more decisively than under Kishida and Ishiba toward a reformist approach to defence and national security.

In this sense, turning to Japan's international posture throughout 2025, we identified Donald Trump's return to the White House as a major factor of disjuncture and turbulence in the year in review. As illustrated above, the second Trump administration introduced a sharper «America First» posture, forcing Tokyo to navigate an increasingly zero-sum dynamic between sustaining U.S. support and avoiding escalation with Beijing. In 2025, it became clear that Ishiba and Takaichi had been working actively to strengthen Japan's defence capabilities amid geopolitical challenges. The differences have mainly concerned adjustments to pressure from the U.S., which was strongly felt with the return of President Trump. While Ishiba reacted by hedging, which has included strengthening existing partnerships and de-escalating tensions with China, Takaichi has continued the approach of her mentor Abe, giving in to U.S. pressure not to jeopardize the alliance. These divergent strategies underscore the tension between strategic hedging and strategic clarity that now defines Japan's foreign policy in an era of great-power competition.

Ishiba's approach prioritized diplomacy and de-escalation with China, leveraging high-level exchanges and economic cooperation to stabilize ties amid U.S. unpredictability. In contrast, Takaichi demonstrated unwavering commitment to the U.S.-Japan alliance, accelerating defence spending targets and signalling readiness to engage in collective self-defence under Japan's security legislation, even in scenarios involving Taiwan.

Across different approaches, both have noted that they have been very active in adapting to the U.S.'s new global role. The defining question that remains unanswered is whether future leaders will continue to hedge or strategically reverse their dependence on the U.S. With Takaichi expected to win the next general election in 2026 at the time of this writing, we can expect that further efforts by Japan to strengthen the U.S.-Japan alliance, despite unpredictability and potential humiliation from the Trump Administration, will be the preferred strategy for the time being. Under Takaichi, the relations with China were negatively affected, and things are unlikely to improve [Maslow 2025, 12 December].

Bibliography

AERA, 2017, 12 October, 'Abe-Jimintō no yōji kyōiku mushōka hoiku no senmonka tachi ga «chigau darō»' (the Abe and LDP's proposal for free education: experts «is it really so»?), *AERA Digital*. (https://dot.asahi.com/articles/-/97817?page=1).

Aitken, Peter, 2025, 8 April, 'Trump Tariffs Like «Delinquent Kid Extorting Somebody» – Japanese Lawmaker', *Newsweek*.

Akimoto, Daisuke, 2025, 2 April, 'Japan Enacts FY 2025 Budget After Rare Revisions', *The Diplomat*.

ANN News, 2025, 24 October, 'Takaichi seiken 'Atarashii shihonshugi' haishi e Kishida moto sōri ni tsutaeru' (The Takaichi cabinet moves to scrap «New Capitalism» and communicate to former PM Kishida). (https://www.youtube.com/watch?v=jFrCGiWTc3I).

Asahi Shimbun, 2025, 30 May, 'Jimintō to uragane musaku de kokkai wa owarenu' (Don't let the slush fund issue be ignored in this Diet session).

Asahi Shimbun, 2025, 25 July, 'Kasoku suru chūken wakate «Ishiba oroshi» suneni kizu «omotedatte ugokenai chūjin ra»' (Guilty conscience: young lawmakers accelerate Ishiba's fall, while party leaders seem unable to act). (https://www.asahi.com/articles/AST7S41K3T7SUTFK008M.html).

Asahi Shimbun, 2025, 21 October, 'Takaichi shushō ga tanjō shita shimei senkyo, shūsan giin no tōhyō-saki wa?' (Prime Minister Takaichi's Nomination Election: Where Did Diet Members Cast Their Votes? Detailed Coverage of the Vote Count Results). (https://www.asahi.com/articles/ASTBP1F13TBPDIFI00BM.html).

Aurstad, Michal A., 2025, 17 December, 'Strategic Shifts: Examining Shigeru Ishiba's Foreign Policy Direction', *Australian Institute of International Affairs*.

Baskaran, Gracelin, & Meredith Schwartz, 2026, 13 January, 'China's Rare Earth Campaign Against Japan', *Center for Strategic & International Studies*.

Chan, Ryan, 2025, 6 March, 'US Ally Responds to Trump Pick's Defense Demands', *Newsweek*.
Crabtree, Charles, & Sona N. Golder, 2025, 24 November, 'Takaichi's Japan enters an era of fragile coalitions', *Australia-Japan Research Centre*.
Crabtree, Charles, Golder, Sona N., & Jinhyuk Jang, 2025, 30 December, 'Japan's Komeito exposes the logic of coalition survival', *East Asia Forum*.
Davis, River Akira, 2025, 8 July, 'Trump Targets Japan with 25% Tariffs After Several Rounds of Trade Talks', *The New York Times*.
Fukuta, Kenta, & Alexandra Sakaki, 'The End of the Diplomatic Thaw between Japan and China', *SWP*.
Gaens, Bart, 2025, 14 January, 'Japan Looks Ahead to Trump 2.0', *International Centre for Defense and Security*.
Gale, Alastair, 2025, 22 May, 'Japan's Ishiba Calls for Closer Weapons Development with Allies', *Bloomberg*.
Govella, Kristi, 2025, 23 July, 'Assessing the U.S.-Japan Trade Deal Announcement', *CSIS*.
Harold, Scott W., 2017, 3 March, 'U.S.-Japan Defense Relations Under Trump', *RAND*.
Harris, Tobias, 2025, 25 January, 'The Diet reopens for business', *Observing Japan*.
Harris, Tobias, 2025, 4 February, 'The LDP's right wing stirs', *Observing Japan*.
Harris, Tobias, 2025, 7 April, 'Ishiba's fate rests on response to Trump-triggered «national crisis»', *Nikkei Asia*.
Harris, Tobias, 2025, 22 May, 'Etō out, Koizumi in', *Observing Japan*.
Harris, Tobias, 2025, 31 May, 'The momentum shifts', *Observing Japan*.
Harris, Tobias, 2025, 20 September, 'Takaichi enters the fray', *Observing Japan*.
Harris, Tobias, 2025, 21 September, 'The anti-populist', *Observing Japan*.
Imanaka, Nobuhiro, 2025, 5 February, 'Jimin «sōsei Nippon» sai-shidō tsūshō shiyō kakudai-an o teiji «kuni no konkan meguri tō ga wareru yō de wa...»' (LDP relaunches «Rebuilding Japan» initiative, proposes expanding use of common name «The party should not split over the nation's foundation...»), *Sankei Shimbun*. (https://www.sankei.com/article/20250205-5XCFEWLYMFOEZAAPSUVO5LP2FY/).
Inoue, Yukana, 2025, 23 October, 'New «immigration minister» post signals Takaichi Cabinet's priorities', *The Japan Times*.
International Crisis Group, 2025, 12 December, 'Embracing Arms: Securing Japan in a «New Era of Crisis»'.
Ishiba, Shigeru, 2024, 25 September, 'Shigeru Ishiba on Japan's New Security Era: The Future of Japan's Foreign Policy', *Hudson Institute*.
Ishiba, Shigeru, 2025, 23 July, 'Kanzei yori tōshi no kangae no moto, nichibei ga tomo ni rieki o erareru gōi ni tassuru koto ga dekimashita' (Under the principle of prioritizing investment over tariffs, Japan and the United States have reached an agreement that benefits both nations), *X*. (https://x.com/shigeruishiba/status/1947879936561451436).
Ishikawa, Naofumi, 2025, 5 November, 'Japan to funnel investments in 17 strategic sectors to ignite growth', *The Asahi Shimbun*. (https://www.asahi.com/ajw/articles/16137063).
Itō, Masaaki, 2025, 'Sanseitō 'Mannaka' kara no hankakumei' (Sanseitō, The Counter-Revolution from the «Center»), *Sekai,* 2025(10), pp. 19-26.

Izumi, Hiroshi, 2025, 18 February, '«Sankonin shochi» de yoyato no «yamishiai»' («Witness Summons» Sparks Rivalry Between Ruling and Opposition Parties), *Jiji Press*. (https://www.jiji.com/jc/v8?id=202504tenbyo).

Jiji Press, 2025, 3 May, 'Ishiba Prioritizes Emergency Responses, SDF in Constitution Reform'.

Jiji Tsūshin, 2025, 3 September, 'Sōsaisen maedaoshi, 54 giin yōkyū jimin giin 7 wari chō akasazu' (Over 70% of LDP lawmakers undecided on advancing presidential election, 54 demand move—Jiji poll). (https://www.jiji.com/jc/article?k=2025090300857&g=pol).

Jiji, 2025, 5 July, 'Government to release stockpiled rice for processed foods from August'.

Jimintō, 2024, 7 November, 'Nōdō teki saibā bōgo, sokki ōseika o yōbō' (Proactive Cyber Defense: Related Conference Submits Proposal to Prime Minister Ishiba Calling for Early Legislation). (https://www.jimin.jp/news/policy/209359.html).

Jimintō, n.d., 'San'in-sen 2025 Mitsu no bijon' (2025 Upper House Election: Three Visions Liberal Democratic Party). (https://www.jimin.jp/election/results/sen_san27/political_promise/vision/#policy3).

Johnson, Jesse, 2025, 23 October, 'Takaichi to put defense push in spotlight in bid to satiate Trump demands', *The Japan Times*.

Johnson, Jesse, 2025, 29 August, 'Japan looks to build drone «shield» in record defense budget request', *The Japan Times*.

Johnsson, Jesse, 2025, 21 June, 'Japan scraps «two-plus-two» meeting with U.S. over defense spending demand, report says', *The Japan Times*.

Kato, Azusa, 2025, 29 November, 'Poll: Japanese affinity toward U.S. falls after Trump tariffs', *The Asahi Shimbun*.

Katō, Hironori, 2024, 30 July, 'Kome no zaiko, kako saitei ni mōsho ni yoru hinshitsu teika ya gaishoku juyō no zōka no eikyō' (Rice stocks hit record low: the impact of quality decline due to intense heat and increased demand from restaurants), *Asahi Shimbun*. (https://www.asahi.com/articles/ASS7Z34FGS7ZULFA024M.html?iref=com_topics_6a117bf8-2ee8-4c6b-a042-137c628df9b5_timeline_article_206).

Kawashima, Shin, 2025, 31 August, 'Ishiba's China policy increasingly contested after electoral setback', *East Asia Forum*. (https://eastasiaforum.org/2025/08/31/ishibas-china-policy-increasingly-contested-after-electoral-setback/).

Khalil, Shaimaa, 2025, 9 February, '«Trump study sessions»: How Japan PM's homework paid off', *BBC*.

Kim, Lisa, & Jada Nagumo, 2025, 3 April, 'Trump's sweeping tariffs rattle Asian markets; Japan, Vietnam stocks tumble', *Nikkei Asia*.

Koga, Kei, 2025, 'Withering FOIP? Japan's Evolving Indo-Pacific Vision from Kishida to Ishiba', *Journal of Asian Security and International Affairs*, 13(1).

Kōmeitō, n.d., 'Iyoiyo hajmaru «mitsu no mushōka» '(The «Three Free Education Initiatives» are finally beginning). (https://www.komei.or.jp/content/p34280/)

Kyodo News, 2025, 5 March, 'Japan brushes aside U.S. demand to boost defense budget to 3% of GDP'.

Kyodo News, 2025, 9 April, 'Japan, NATO agree to ramp up defense industry cooperation'.

Kyodo News, 2025, 10 June, 'Japan gov't to release additional 200,000 tons from rice stockpiles'.

Kyōdō, 2025, 11 January, 'Jimintō no Hagiuda Kōichi-shi, Iwaya gaishō ni kūgen taichū visa kanwa hyōmei «ranbō»' (Liberal Democratic Party's Koichi Hagiuda criticizes Foreign Minister Takeshi Iwaya over China visa easing announcement, calling it «reckless»). (https://www.nikkei.com/article/DGXZQOUA112P70R10C25A1000000/).

Kyōdō, 2025, 25 January, 'Jimintō no Kobayashi Takayuki-shi, fūfubessei «motto yarubeki koto aru»' (Liberal Democratic Party's Takayuki Kobayashi: «There are more important things to do than separate surnames for married couples»). (https://www.nikkei.com/article/DGXZQOUA24DUW0U5A120C2000000/).

Kyōdō, 2025, 27 January, 'Fūfu bessei «secchūan mo» Ishiba shushō Jimin sanpi ware de' (Prime Minister Shigeru Ishiba: «Compromise Proposal Also Possible» on Married Couples' Surnames; LDP Divided on Issue). (https://www.nikkei.com/article/DGXZQOUA263IJ0W5A120C2000000/).

Lipscy, Phillip, 2025, 27 July, 'Japan's upper house election delivers political uncertainty with big implications', *East Asia Forum*.

Mainichi Shimbun, 2025, 4 March, 'Kōgaku ryōyōhi no futanzō tachidomari giron tsukusu toki' (Increased Burden of High-Cost Medical Expenses: Time to Pause and Thoroughly Debate). (https://mainichi.jp/articles/20250304/ddm/005/070/064000c).

Mainichi Shimbun, 2025, 13 April, '«Kyūfu yori genzei o» genkin kyūfu-an «Hyōka shinai» 57% yoron chōsa' («Tax cuts over cash handouts» 57% «do not approve» of cash handout plan: Public opinion survey). (https://mainichi.jp/articles/20250413/k00/00m/010/134000c).

Mainichi Shimbun, 2025, 12 June, 'Kūpon-ken ni genbutsu shikyū kakuchi no jichitai de «Kome shien saku» zoku zoku' (Coupon vouchers for rice handouts Local governments roll out «rice support measures» one after another). (https://mainichi.jp/articles/20250612/k00/00m/040/102000c).

Mainichi Shimbun, 2025, 3 November, 'Takaichi seiken beika kōtō to nōsei gyakumodori de wa anshin erarenu' (Takaichi's New Administration: Soaring Rice Prices and Agricultural Policy No Assurance in Backtracking). (https://mainichi.jp/articles/20251103/ddm/005/070/032000c).

Makihara, Izuru, 2013, 7 August, 'The Role of the Kantei in Making Policy', *Nippon.com*.

Maslow, Sebastian, 2025, 12 December 'Why tensions between China and Japan are unlikely to be resolved soon', *The Conversation*.

McCormack, Gavan, 2007, *Client State: Japan in the American Embrace*, Verso.

MDingON, n.d., 'RDS Riarutaimu Okome (5kg) no tentō baika heikin/heikinbaika RDS' (Real-time Average Retail Price of Rice (5kg) / Average Selling Price). (https://price-transition.mdingon.com/)

Ministry of Defense, 2025, 'Defense of Japan 2025', Tokyo: Ministry of Defense

Ministry of Finance of Japan, 2024, 27 December, 'Highlights of the FY2025 Draft Budget', Tokyo: Ministry of Finance.

Ministry of Justice of Japan, n.d., 'Sentakuteki fūfu betsuuji seido (iwayuru sentakuteki fūfubessei seido ni tsuite)' (Regarding the Optional Married Couples' Surname System [commonly known as the Optional Married Couples' Surname Choice System]). (https://www.moj.go.jp/MINJI/minji36.html)

Mitsuda, Muneyoshi, 2025, 28 July, 'Ishiba favorite to retain Japan PM role as Cabinet support rate rises to 29%: Mainichi poll', *The Mainichi*.

Morioka, Kohei, 2025, 11 July, 'Ishiba taking a tougher tone against U.S. over Trump's tariffs', *The Asahi Shimbun*.

Moriyasu, Ken, & Yiu Pak, 2025, 3 April, 'Trump reveals reciprocal tariffs: 34% on China, 24% on Japan', *Nikkei Asia*.
Nagumo, Jada, & Lisa Kim, 2025, 21 November, 'Japan bond yields climb amid signals for more fiscal stimulus', *Nikkei Asia*.
Nakakita, Koji, 2022, 15 February, 'Who's really calling the shots in Japan's Prime Minister's Office?', *Asia Pacific Initiative*.
Nakano, Kōichi, 2015, *Ukeikasuru Nihon seiji* (Japan's Rightward Political Shift), Iwanami.
NHK Senkyo Web, n.d., 'NHK yoron chōsa naikaku shijiritsu' (NHK Public Opinion Poll Cabinet Approval and Party Support Rates). (https://news.web.nhk/senkyo/shijiritsu/).
NHK World, 2026, 22 January, 'Japan's inflation tops 3% in 2025, driven by high rice prices'.
NHK, 2025, 1 July, 'Ishiba shushō kome kakaku antei ya zōsan e no seisaku tenkan suishin o kakuryō ni shiji' (Prime Minister Ishiba Instructs Cabinet Ministers to Promote Policy Shift Toward Stabilizing Rice Prices and Increasing Production). (https://news.web.nhk/newsweb/na/na-k10014849551000).
NHK, 2025, 7 September, 'Ishiba shushō jinin o hyōmei «ketteitekina bundan o umikanezu kujū no ketsudan»' (Prime Minister Ishiba Announces Resignation: «A Painful Decision to Avoid Divions»). (https://news.web.nhk/newsweb/na/na-k10014915751000).
Nihon Keizai Shimbun, 2025, 25 March, 'Shushō «Ukeire kibishii» Kōmei-Kokumin kigyō kenkin kisei an' (Prime Minister: «Difficult to Accept» Kōmeitō-DPFP Corporate Donation Regulation Bill). (https://www.nikkei.com/article/DGXZQOUA250M10V20C25A3000000/).
Nihon Keizai Shimbun, 2025, 21 May, 'Ishiba shushō «Kome 5 kiro 3000 en dai o genjitsu» saganakereba sekinin (Prime Minister Shigeru Ishiba: «Achieve 5kg of rice for around 3,000 yen» If prices don't fall, will take responsibility). (https://www.nikkei.com/article/DGXZQOUA216ED0R20C25A5000000/).
Nihon Keizai Shimbun, 2022, 2 July, 'Gentan to wa haishi go mo kome seisanryō no genshō tsuzuku' (What is gentan? Even after the rice production reduction policy was abolished, rice production continues to decline). (https://www.nikkei.com/article/DGXZQOUE2340K0T20C22A6000000/).
Nihon Keizai Shimbun, 2025a, 3 July, 'Jimintō no kōyaku Sangiin senkyo 2025' (Liberal Democratic Party Platform: House of Councillors Election 2025). (https://www.nikkei.com/article/DGXZQOUA24A8U0U5A620C2000000/)
Nihon Keizai Shimbun, 2025b, 3 July, 'Rikken minshutō no kōyaku sangiin senkyo 2025' (Constitutional Democratic Party of Japan Platform House of Councillors Election 2025). (https://www.nikkei.com/article/DGXZQOUA25BYY0V-20C25A6000000/).
Nihon Keizai Shimbun, 2025c, 3 July, 'Nippon ishin no kai no kōyaku sangiin senkyo 2025' (Japan Innovation Party Platform: House of Councillors Election 2025). (https://www.nikkei.com/article/DGXZQOUA25ALG0V20C25A6000000/).
Nihon Keizai Shimbun, 2025d, 3 July, 'Kokumin minshutō no kōyaku Sangiin senkyo 2025' (Liberal Democratic Party Platform: House of Councillors Election 2025). (https://www.nikkei.com/article/DGXZQOUA266Z80W5A620C2000000/).
Nihon Keizai Shimbun, 2025, 26 July, 'Tai-bei tōshi 80 chō en, Akazawa Ryōsei keizaishō «shusshi wa 1-2%»' (Investment in the U.S. reaches 80 trillion yen; Finance Minister Akazawa states «equity investment is 1–2%»). (https://www.nikkei.com/article/DGXZQOUA262R60W5A720C2000000/).

Nihon Keizai Shimbun, 2025, 4 August, 'Ishiba Shigeru shushō, genkin kyofu meguri Ritsumin to kyōgi ikō zaigen to awase «sekinin kyōyū»' (Prime Minister Ishiba Shigeru Expresses Willingness to Discuss Cash Payments with Constitutional Democratic Party; Seeks «Shared Responsibility» Alongside Funding Sources). (https://www.nikkei.com/article/DGXZQOUA0408G0U5A800C2000000/).

Nihon Keizai Shimbun, 2025, 20 October, 'Jimintō to Nihon ishin no kai, renritsu seiken gōisho no zenbun' (Full Text of the Coalition Agreement between the Liberal Democratic Party and Nippon Ishin no Kai). (https://www.nikkei.com/article/DGXZQOUA20AP30Q5A021C2000000/).

Nikkei Asia, 2025, 26 December, 'Japan's private-sector imports of rice surge 104-fold on high demand'.

Ninivaggi, Gabriele, 2025, 21 May, 'Shinjiro Koizumi takes farm ministry reins after predecessor's rice gaffe', *The Japan Times*.

Ninivaggi, Gabriele, 2025, 10 November 'Takaichi stands firm on controversial Taiwan contingency remarks', *The Japan Times*.

Ninivaggi, Gabriele, & Himari Semans, 2025, 4 September, 'Darkest hour for Ishiba amid pressure to quit and executive resignation', *The Japan Times*.

Nippon.com, 2025, 14 February, 'Kome no kouri kakaku takadomari: seifu bichikumai hōshutsu de ryūtsū busoku o kaishō e' (Retail Rice Prices Remain Elevated: Government to Release Stockpiled Rice to Address Supply Shortage). (https://www.nippon.com/ja/japan-data/h02314/).

Nippon.com, 2026, 9 January, 'Expansionary Policy Reflected in Japan's Record High Budget for Fiscal 2026'.

Nishimura, Takuya, 2025, 21 May, 'Koizumi Shinjirō-shi, Nōsuishō shūnin de nōkyō to no batoru sainenka. Kome kakaku hikisage e kaikaku yōkyū mo' (Koizumi's Appointment as Agriculture Minister May Reignite Battle with Agricultural Cooperatives; Calls for Reform to Lower Rice Prices), *Sankei Shimbun*. (https://www.sankei.com/article/20250521-NKDGVJAZGNBA7LX-6SAYF7Q4ZUI/?352302).

O'Shea, Paul, & Sebastian Maslow, 2020, '«Making the alliance even greater»: (Mis-) managing U.S.-Japan relations in the age of Trump', *Asia Security*, 17(2), pp. 195-215.

Oneda, Yurika, 2025, 15 July, 'Immigration becomes election issue in Japan amid tough economy', *Nikkei Asia*.

Ono, Yoshikuni, 2025, 17 December, 'Nihon hatsu no josei shushō no tanjō' (The Rise of Japan's First Female Prime Minister), *RIETI*. (https://www.rieti.go.jp/jp/columns/a01_0798.html).

Oros, Andrew L., 2017, *Japan's Security Renaissance – New Policies and Politics for the Twenty-First Century*, Columbia University Press.

Ota, Akihisa, 2025, 29 October, 'Trump Receives «Takaichi-Style» Hospitality during His Visit to Japan with Gifts, U.S.-Grown Rice, American-Made Trucks', *The Japan News*.

Otake, Tomoko, 2025, 16 December, 'Health ministry panel agrees to raise medical fee caps, but with refined approach', *The Japan Times*.

Ozawa, Keita, 2025, 8 August, 'Ikioi fuyasu sōsaisen maedaoshi-ron Ishiba shushō, yatō ni suiyori kyūshinryoku teikamo jitsugen ni wa takai hādoru (Calls for an Early Leadership Election Gain Momentum, Ishiba Courts Opposition Parties, but His Appeal Wanes; High Hurdles Remain for Implementation), *Sankei*

Shimbun. (https://www.sankei.com/article/20250808-2R5BPVRVVFI57GGQJPM36ZTKYU/2R5BPVRVVFI57GGQJPM36ZTKYU/).
Park, Seohee, 2025, 24 April, 'Japan faces the bitter harvest of agricultural neglect.' *Australia - Japan Research Centre*.
Prime Minister's Office of Japan, 2025, 22 January, 'Press Conference by Prime Minister ISHIBA Shigeru Regarding the U.S. Strikes on Iranian Nuclear-Related Facilities'.
Prime Minister's Office of Japan, 2025, January 24. 'Dai 217 kai kokkai ni okeru Ishiba naikaku sōri daijin shisei hōshin enzetsu' Prime Minister's Office of Japan (https://www.kantei.go.jp/jp/103/statement/2025/0124shiseihoshin.html)
Prime Minister's Office of Japan, 2025, 31 March, 'Press Conference by Prime Minister ISHIBA Shigeru regarding the Passage of the FY2025 Initial Budget'. (https://japan.kantei.go.jp/103/statement/202503/31kaiken.html).
Prime Minister's Office of Japan, 2025, 1 April, 'Ishiba naikaku sōri daijin kisha kaiken (Prime Minister Ishiba Press Conference)'. (https://www.kantei.go.jp/jp/103/statement/2025/0401kaiken.html).
Prime Minister's Office of Japan, 2025, 30 June, 'Address by Prime Minister ISHIBA Shigeru at the Meeting of the Ministry of Defense and Self-Defense Force Command Personnel'.
Prime Minister's Office of Japan, 2025, 1 July, 'Saibā sekyuritī senryaku honbu (Cybersecurity Strategy Headquarters)'. Prime Minister's Office of Japan. https://www.kantei.go.jp/jp/103/actions/202507/01security.html
Prime Minister's Office of Japan, 2025, 10 October, 'Reiwa 7 nen 10 gatsu 10 ka Ishiba naikaku sōridaijin kisha kaiken (October 10, 2025 Prime Minister Ishiba Press Conference)'. (https://www.kantei.go.jp/jp/103/statement/2025/1010kaiken.html).
Pugliese, Giulio, 2015, 'Japan in 2014: Between a China Question and a China Obsession', *Asia Maior,* XXV(2014).
Pugliese, Giulio, 2016, 'Japan 2015: Confronting East Asia's Geopolitical Game of Go', *Asia Maior,* XXVI(2015).
Pugliese, Giulio, 2023, 'Japan 2022: Putin and Abe Shocks thwart Kishida's enjoyment of three golden years despite major defence overhaul', *Asia Maior*, XXXIII(2022), pp. 79-129.
Pugliese, Giulio, & Alessio Patalano, 2020, 'Diplomatic and security practice under Abe Shinzō: The case for Realpolitik Japan', *Australian Journal of International Affairs,* 74(6), pp. 615-632.
Pugliese, Giulio, & Corey Wallace, 2021, 'Japan 2020: Abe's well-laid plans go awry', *Asia Maior,* XXXI(2021), pp. 103-143.
Pugliese, Giulio, & Marco Zappa, 2024, 'Japan 2023: Still walking in Abe Shinzō's footsteps, *Asia Maior,* XXXIV(2023), pp. 65-124.
Sakaiya, Shirō, 2023, *Sengo Nihon seiji shi* (Political History of Postwar Japan), Chūō kōron.
Sang-ki, Park, Sung ho-chul, & Kim Seo-young, 2025, 24 August 'Lee, Ishiba pledge stronger S. Korea-Japan partnership at Tokyo summit', *The Chosun Daily.*
Semans, Himari, 2025, 27 December, 'Japan's Cabinet approves ¥115.5 trillion budget', *The Japan Times.*
Senkyo dotto komu, n.d., 'Dai 27 kai sangiin senkyo 2025 nen' (The 27th House of Councillors Election). (https://go2senkyo.com/sangiin/20376).
Sherman, Natalie., 2025, 4 January, 'Biden blocks Japan's Nippon Steel from buying US Steel', *BBC.*

Shiga, Yuichi, 2025, 16 May, 'Japan to subsidize private high schools as public system creaks', *Nikkei Asia*.
Shinkai, Takao, 2025, 16 December, 'Diet passes extra budget for fiscal 2025 targeting higher prices', *The Asahi Shimbun*.
Suzuki, Shun, 2025, 16 May, 'Diet passes cyberdefense law to collect data in peacetime', *The Asahi Shimbun*.
Takahashi, Nicholas, 2025, 19 December, 'Toyota to sell made-in-America vehicles in Japan to please Trump', *The Japan Times*.
Takaichi Sanae Channel, 2024, 6 July, 'Former Prime Minister Shinzo Abe's last will and testament: the important issue of optional separate surnames for married couples', *Youtube*. (https://www.youtube.com/watch?v=-3ZIqOVGkfM).
Takaichi, Sanae (ed.), 2024, *Kokuryoku kenkyū: Nippon rettō wo tsuyoku, yutakani* (Research on National Power: Strengthening and Enriching the Japanese Archipelago), Sankei Shimbun Shuppan.
Takaichi, Sanae, 2025, 'Nippon no sokojikara de, seichō no mirai e! (Japan's true strength propels us toward a future of growth!)'. (https://www.sanae.gr.jp/pdf/kouyaku2025.pdf).
Tang, Francis, 2025, 23 January, 'Ishiba to skip key NATO summit following Iran strikes', *The Japan Times*.
Tawfik, Nada, 2025, 8 February, 'How Japan sparked Trump's 40-year love affair with tariffs', BBC.
TBS News Dig, 2025, 14 March, 'Ishiba sōri ni fujō shita «Seiji to kane» no mondai Omiyage «10 man en shōhi ken» de hihan funshutsu yatō kanbu wa «Korekara ikkini seikyoku»' (Prime Minister Ishiba's «Politics and Money» Scandal Surfaces Criticism Erupts Over «¥100,000 Gift Certificates» as Souvenirs; Opposition Leader: «Political Reforms Now»), *Youtube*, (https://www.youtube.com/watch?v=ot6IIeeDAZA).
TBS News Dig, 2025, 6 September, 'Mazu sōri ga yamete «Sōsaisen maedaoshi» 19 no chihō soshiki ga sansei hyōmei 8ka no shomen teishutsu ni muke tōnai kōbō gekika' («First, the Prime Minister must resign» 19 regional organizations express support for «advancing the presidential election» Intra-party struggle intensifies ahead of August 8th document submission). (https://newsdig.tbs.co.jp/articles/-/2154950?display=1).
TBS News Dig, 2025, 21 October, '«Shonichi kara zensokuryoku, toppu supīdo de» Takaichi Sanae-shi ga josei hatsu no sōri daijin ni… ishin to no renritsu seiken hassoku; Takaichi-shi yukari no biyōshitsu ōnā «torihada ga tatsu»' («Full throttle from day one, at top speed» – Sanae Takaichi becomes Japan›s first female prime minister... Coalition government with Japan Innovation Party launched Owner of hair salon linked to Takaichi: «I got goosebumps»), *Youtube*. (https://www.youtube.com/watch?v=USj_hbO3ntw).
Tere Tō BIZ, 2025, 8 February, 'Ishiba sōri ga Amerika no Toranpu daitōryō to shokaidan' (Prime Minister Ishiba holds first meeting with U.S. President Trump), *YouTube*. (https://www.youtube.com/watch?v=jcT8OmHyfMs).
Tere Tō BIZ, 2025, 21 October, 'Sōri daijin shimei senkyo Dai 104 sōridaijin ni Takaichi Sanae-shi o senshutsu (Prime Minister Election: Sanae Takaichi Elected as the 104th Prime Minister)'. YouTube, (https://www.youtube.com/watch?v=DgJEF2JYUDo).
The Asahi Shimbun, 2024, 16 November, 'Ishiba holds first meeting with Xi; ties with U.S. and S. Korea affirmed'.

The Asahi Shimbun, 2025, 7 March, 'Trump calls Japan-U.S. alliance an «interesting deal»'.
The Asahi Shimbun, 2025, 19 May, 'Farm minister under fire for boasting of «free rice stockpile»'.
The Asahi Shimbun, 2025, 7 October, 'Takaichi selects LDP leadership; Hagiuda returns to party post'.
The Asahi Shimbun, 2025, 5 December, 'Taiwan, Japan voice concern over Chinese military movements'.
The Asahi Shimbun, 2025, 8 December, 'Japan counters Chinese radar lock-on claims amid tensions'.
The Government of Japan, 2025, 17 February, 'APEC Leaders' Meeting in Peru: Importance of Strengthening a Rules-Based International Order'.
The Government of Japan, 2025, 28 February, 'Affirming Strong Bonds with ASEAN: Key Outcomes from PM Ishiba's Visit to Malaysia and Indonesia'.
The Japan News, 2025, 28 February, 'Unsworn Witness from Ex-Abe Faction: Work toward Settling Political Funds Issue'.
The Japan Times, 2025, 7 September, 'Japan braces for Trump push on U.S. troop funding'.
The Japan Times, 2025, 12 November, 'Japan lawmakers eye firm response to Chinese envoy's threat to behead PM'.
The Mainichi, 2025, 18 July, 'Structural transformation needed to address Japan SDF's personnel shortage'.
The Mainichi, 2025, 17 September, 'Editorial: Pension reforms needed in Japan as women's work styles evolve'.
The Sankei Shimbun, 2025, 25 March, 'Why Japan's New Joint Operations Command Is a Strategic Milestone'.
The White House, 2025, 7 February, 'United States-Japan Joint Leaders' Statement'.
The White House, 2025, 4 September, 'Implementing the United States-Japan Agreement'.
Tōkyō Shimbun, 2023, 29 September, 'Shasetsu: Kōmeitō wa «gan» kenpō naigashiro bakugen (Komeito Is a «Cancer»: Outrageous Remarks Disregarding the Constitution). (https://www.tokyo-np.co.jp/article/280454).
Tōkyō Shimbun, 2025, 28 August, 'Ishiba oroshi «Jitsumei sarashi» no fumi-e darega sōsaisen maedaoshi yōkyū shita ka, kōhyō e... seisaku socchinoke no tōnai kōsō ni kokumin ni wa' (Ishiba Ousting: «Naming and Shaming» Test of Loyalty; Who Demanded An Early Leadership Election? Names to Be Revealed... Party Strife Will Affect the Public). (https://www.tokyo-np.co.jp/article/431509).
Tzuzuki, Chushichi, 2000, *Taisho Politics and Society: From the Rice Riot to the Public Order Preservation Act. In The pursuit of power in modern Japan, 1825-1995*. Oxford University Press.
U.S. Department of War, 2025a, 30 March, 'Defense Secretary Announces U.S. Forces Japan's Upgrade to Joint Force Command'.
U.S. Department of War, 2025b, 30 March, 'Secretary of Defense Pete Hegseth Concludes Visit to Japan'.
Uchida, Honoka, & Hiroyuki Tanaka, 2025, 23 October, 'Yomu seiji: «Watashi shika inai» Takaichi-shi ga kodawaru Abe seiji keisho hiyayakana koe mo' (Reading Politics: «Only I Can Do It» –Takaichi's Insistence on Carrying on Abe's Legacy Draws Skeptical Reactions), *Mainichi Shimbun*. (https://mainichi.jp/articles/20251022/k00/00m/010/194000c).

Untalan, Carmina Yu, 2025, 'From «Dark Days» to «Golden Age»: The Philippines and Japan's Path towards Friendship', *East Asian Policy*, 17(4), pp. 128-143.

Wakatabe, Masazumi, 2024, 'Nihon no keizai senryaku – kōatsu keizai to tōgō un'ei de seisaku senshin koku o mezase (Japan's Economic Strategy: Aiming to Become a Policy Leader Through High-Pressure Economics and Integrated Management). In *Kokuryoku kenkyū: Nihon rettō o tsuyoku, yutaka ni*. edited by Sanae Takaichi. Sankei Shimbun Shuppan.

Ward, Robert, 2025, 27 July, 'Why Japan sees President Trump's tariffs as a «national crisis»', *NPR*.

World Health Organization, n.d., 'Global Health Expenditure Database'.

Xinhua, 2025, 7 November, 'Chinese vice premier attends China Pavilion Day at Osaka Expo'.

Yamada, Yūji, Nakane, Masato, & Naoaki Nishida, 2025, 29 July, 'Jimintō chūraku no 'sekininsha' wa dare? Uragane, keizai teitai... «Shushō dake ni kabuseru no wa okashii» to ieru takusan no riyū' (Who is responsible for the LDP's decline? Slush funds, economic stagnation... The many reasons why we can say that it is absurd to pin it solely on the prime minister). (https://www.tokyo-np.co.jp/article/424554).

Yamaguchi, Jiro, 2025, 10 October, 'New leader, same crisis in Japan's LDP', *East Asia Forum*.

Yamaguchi, Mari, 2025, 28 October, 'Ford's enormous F-150 becomes unlikely part of Japan's efforts to woo Trump', *AP*.

Yamamoto, Raymond, & Marco Zappa, 2025, 'Japan 2024: Striving for security amidst political turmoil', *Asia Maior*, XXXV(2024), pp. 83-124.

Yamazaki, Mari, 2025, 28 February, 'Japan PM's coalition trims draft budget despite spending pressure', *Reuters*.

Yomiuri Shimbun, 2024, 21 May, 'Takaichi keizai anposhō 'saibā sekyuritī chō' hitsuyō... sōsaisen shutsuba wa «ima wa kangaete inai»' (Minister of Economy, Trade and Industry Takaichi says «Cybersecurity Agency» is necessary... Regarding running for party president: «I am not considering it at this time»). (https://www.yomiuri.co.jp/politics/20240521-OYT1T50135/).

Yomiuri Shimbun, 2025, 16 July, 'Ishiba, EU Leaders to Agree on Intl Economic Order; Draft Statement Shows Support For Rules-Based Free Trade'.

Yomiuri Shimbun, 2025, 27 February, 'Sankōnin chōshu no kyū-Abe-ha kaikei sekinin-sha, kikkubakku saikai «kanbu kyōgi de kettei»… yōkyū kanbu «genshoku dewanai»' (Former Abe faction's accountant heard as witness: decision to restart kickback taken by faction executives now out of post) (https://www.yomiuri.co.jp/politics/20250227-OYT1T50301)

Yomiuri Shimbun, 2025, 31 August, 'Jimintō rinji sōsaisen no jisshi «sansei» 128, «hantai» 33... kokkai giin todōfukenren taishō ni Yomiuri chōsa' (Yomiuri Survey: 128 lawmakers and prefectural chapters «in favor» of holding LDP leadership election, 33 «opposed»). (https://www.yomiuri.co.jp/politics/20250830-OYT1T50177/).

Yomiuri Shimbun, 2026, 19 February, 'Takaichi naikaku shijiritsu 73% , 6 pointo jōshō shi saikō datta 12 gatsu ni narabu' (Support for the Takaichi Cabinet at 73%, up 6 points to match December's high...Yomiuri poll). (https://www.yomiuri.co.jp/election/yoron-chosa/20260219-GYT1T00483/).

Yoshimatsu, Hidetaka, 2025, 'Japan's Economic Security: Policy Development Under the Influence of Security Identity and Key Players' Policy Initiatives', *Politics & Policy*, 53(5), pp. 1-12.

Taiwan 2024-2025: Constraint, adaptation, and the cross-strait equilibrium

Stefano Pelaggi

University of Rome «La Sapienza»
stefano.pelaggi@uniroma1.it

This article analyses political and security developments in Taiwan during the 2024-2025 biennium, focusing on the interaction between domestic political fragmentation, evolving relations with the United States, and the consolidation of Chinese military coercion in the Taiwan Strait. It argues that the transition to divided government produced a structurally weakened presidency, in which legislative obstruction and constitutional contestation entrenched a persistent condition of governance under constraint. Against this domestic backdrop, the article examines the recalibration of Taiwan-US relations in an increasingly uncertain and transactional environment, where established practices of symbolic management – most notably presidential transit diplomacy – proved more vulnerable to disruption than in previous cycles, while leadership change within the Kuomintang introduced additional layers of cross-Strait signalling under conditions of institutional fragility. The article further traces the evolution of Chinese military activity around Taiwan, highlighting the shift from episodic signalling to routinised drills and grey-zone operations as a stabilised instrument of pressure. It also considers how Taipei has begun to recalibrate elements of its external projection and domestic political agenda in response to evolving relations with Washington under Trump 2.0 and to the increasingly assertive strategic environment shaped by Beijing. Taken together, developments during the period under review point not to strategic realignment, but to the reproduction of constraint, as domestic political vulnerability, uncertain US signalling, and sustained Chinese coercion interacted to reinforce a condition of managed but unresolved structural vulnerability within the regional order.

Keywords – Taiwan; cross-strait relations; US-Taiwan relations; China.

1. *Introduction*

The analysis aims to explore a set of dynamics shaping Taiwan's political and strategic environment during the 2024-2025 biennium. It examines how the outcome of the January 2024 elections translated into a condition of divided government, producing persistent legislative-executive friction and constraining executive authority. These institutional patterns are considered alongside symbolic and discursive processes – including the management of transitional justice and the recalibration of official language – which together may have contributed to a reconfiguration of the domestic

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

political field. Against this domestic setting, attention turns to developments in the security environment of the Taiwan Strait, which during the biennium can be interpreted as moving toward a condition of sustained and routinised coercion. Chinese military drills, grey-zone operations, and multidomain activities are thus approached not as episodic signalling, but as stabilised practices that progressively redefined operational thresholds, compressed strategic warning time, and conditioned Taiwan's day-to-day governance and crisis management. These developments are further situated within Taiwan's external exposure, with particular focus on the interaction between persistent coercive pressure and growing uncertainty in relations with the United States. Consideration is given to the coexistence of strategic ambiguity, increasingly transactional economic practices, and intensified congressional activism, and to the extent to which these dynamics may have shaped deterrence frameworks and defence planning under conditions of domestic constraint. The analysis also briefly considers the gradual recalibration of the domestic agenda of the Democratic Progressive Party (DPP), which in recent years has moved away from some of the themes more prominently associated with the Tsai Ing-wen administration – particularly in the field of gender politics – in part to maintain closer alignment with Washington amid shifting ideological dynamics in the United States. The discussion also addresses the repositioning of key political actors and external interlocutors, including the Kuomintang's (KMT) leadership transition and the expansion of Taiwan's diplomatic engagement with European and other like-minded partners.[1] Taken together, these dynamics are approached as contributing to a broader pattern of governance under constraint, through which institutional fragmentation, external pressure, and strategic adjustment appear to have reinforced one another without fundamentally altering Taiwan's structural position within the regional order. The period also witnessed a gradual reformulation of Taiwan's political agenda and public narratives, including the growing prominence of representations of the Chinese threat – previously less explicit in official discourse – as well as a renewed articulation of Taiwan's role in the international arena and the global economy. Whereas in earlier years Taipei tended to maintain a relatively low international profile in order to preserve extensive economic ties with the People's Republic of China (PRC), the current strategic environment has increasingly pushed Taiwan to leverage its centrality in semiconductor supply chains as a key instrument of economic and geopolitical positioning.

1. «Like-minded partners» was extensively used by Taipei in 2023-2024 to frame Taiwan's international engagement within the Indo-Pacific discourse and to emphasise shared commitments to democracy, values, and a rules-based order [Hornung et al. 2023]. Despite growing uncertainty over the concept's durability under the Trump presidency, it has continued to feature prominently in Taiwan's relations with European states and regional partners such as Japan and Australia.

2. *Fragmentation, re-signification, and governance under constraint*

2.1. *Electoral fragmentation and the reconfiguration of transitional justice*

Despite securing the presidency in January 2024, the DPP entered the new electoral cycle in a weakened parliamentary position. For the first time since 2016, the DPP failed to secure a majority in the Legislative Yuan, producing a fragmented legislature in which opposition forces retained decisive agenda-setting capacity [Insisa 2023]. This immediately constrained executive action and heightened the role of inter-party bargaining, in line with assessments advanced by several observers and scholars following the electoral outcome [Dreyer 2024]. The implications of this configuration became evident in April 2024. On 13 April, Kuomintang-backed candidates won five out of six local by-elections, including the mayoralty of Miaoli City, confirming the opposition's capacity to consolidate subnational momentum [Everington 2024, 24 May].

In this context, and in the days immediately preceding President Lai Ching-te's formal inauguration, the Cabinet announced on 18 April 2024 the establishment of 19 May as Taiwan's annual White Terror Memorial Day, to be officially commemorated for the first time in May 2024 [Lin 2024, 18 April]. Endorsed by Premier Chen Chien-jen, the decision framed the remembrance of political repression under KMT rule between 1949 and the late 1980s as a core element of Taiwan's transitional justice agenda. Beyond its commemorative function, this initiative situates Taiwan's democratic identity in explicit opposition to the authoritarian legacy of the post-war Republic of China (ROC) regime, while privileging narratives of democratisation, repression, and societal pluralism [Schubert 2012] over those centred on the ROC's state-building experience in exile. In historical perspective, the trajectory of transitional justice under successive Democratic Progressive Party administrations has evolved unevenly and under varying institutional constraints.

During the presidency of Chen Shui-bian, early efforts to address authoritarian-era abuses unfolded in a context of divided government and limited executive leverage. Some limited legislative steps were adopted, most notably the 2007 amendment to the 228 Compensation Act, which replaced the term bu chang with pei chang,[2] implicitly reframing past state violence as illegal rather than merely compensable [Bowman 2012]. The change, however, produced limited political and judicial consequences, reflecting both the structural weakness of Chen's mandate and the premature character of transitional justice initiatives in a still-consolidating democratic environment. A more systematic phase began under Tsai Ing-wen, whose two

2. The first term corresponds to the notion of compensation, whereas the second is more accurately translated as reparation, carrying with it an explicit sense of moral – and consequently historical – responsibility, rather than a mere monetary quantification of the damages suffered by the victims.

terms were supported by a DPP parliamentary majority. This configuration enabled the establishment of institutional mechanisms such as the Ill-gotten Party Assets Settlement Committee [Ill-gotten Properties Act 2016, 10 August] and the Transitional Justice Commission [Yeh & Su 2019]. While the former targeted the Kuomintang's inherited financial networks and organisational advantages, critics described this phase as «political competition, not a quest for transitional justice» [Huang 2021, p. 228], suggesting that financial and institutional rebalancing intersected with partisan dynamics. At the same time, the work of the Transitional Justice Commission emphasised archival declassification, restitution, and Indigenous historical justice, contributing to a process centred on the recognition and subjectivisation of victims. Yet this approach remained comparatively cautious in identifying individual responsibility for authoritarian crimes, favouring restorative and symbolic measures over judicial accountability.

In this respect, it risked reproducing what has been described in relation to earlier transitional justice efforts as «ten thousand victims without a single perpetrator» [Wu 2005, p. 78]. By contrast, the establishment of White Terror Memorial Day in 2024 occurred under conditions of divided government and reduced executive control. Rather than forming part of a broad institutional reform programme – as under Tsai – or representing an embryonic attempt constrained by structural weakness – as under Chen – the initiative functioned primarily as a symbolic reaffirmation of democratic identity within a fragmented political environment. In this sense, transitional justice under Lai appeared less as an instrument of structural transformation than as a discursive resource mobilised within a broader pattern of governance under constraint.

In doing so, it contributes to the consolidation of a Taiwan-centred historical consciousness whose implications extend beyond memory politics, shaping the discursive field within which notions of security, sovereignty, and the configuration of relations across the Taiwan Strait are constructed, stabilised, and periodically renegotiated [Corcuff 2012].

2.2. *Institutional polarisation and the limits of executive authority*

The legislative fragility of the Lai administration translated rapidly into institutional confrontation during the parliamentary reform process of May 2024. In mid-May, debates over amendments expanding the oversight powers of the Legislative Yuan escalated into repeated physical altercations between legislators affiliated with the DPP – holding the presidency but lacking a parliamentary majority – and the Kuomintang-Taiwan People's Party (TPP) alignment controlling the legislative agenda [CNA 2024a]. Accelerated procedures and curtailed deliberation sharpened contestation over the redistribution of institutional authority within a legislature no longer aligned with the executive. This tension was further amplified by the close linkage between the reform package and scrutiny of defence policy and military procurement.

In a context of heightened cross-Strait pressure, disputes over parliamentary procedure thus acquired an added strategic dimension, intertwining constitutional conflict with the governance of national security. This configuration marked a distinctive moment in Taiwan's recent political trajectory. Earlier episodes of divided government – such as during the two presidencies of Chen Shui-bian – or moments of declining governmental consensus, including the electoral setbacks experienced by the Tsai administration in midterm local elections, unfolded within less acute strategic environments. By contrast, the present confrontation developed amid intensifying Chinese coercion and increasingly explicit expectations from Washington that Taiwan strengthen its own defence capabilities. As a result, parliamentary conflicts over institutional authority came to involve policy domains considered vital within Beijing's growing assertiveness toward the island and within the United States' evolving security expectations toward Taipei.

The amendments expanded legislators' powers to summon government officials, military representatives, private companies, and private individuals. They also introduced criminal penalties for «contempt of the legislature» and required the president to report regularly to parliament and submit to questioning – an unprecedented provision in Taiwan's constitutional practice [CNA 2024b].While the KMT and the TPP framed these measures as a corrective to executive dominance and a reinforcement of legislative oversight, critics, including legal associations and civil society groups, raised concerns over vague definitions, weak safeguards, and the potential politicisation of sensitive information, particularly in defence-related domains. These tensions extended beyond the Legislative Yuan; from 21 May 2024 onward, and with greater intensity following the passage of the reforms on 28 May, large-scale demonstrations unfolded around the legislature, mobilised by a broad coalition of civic groups [CNA 2024c]. In public debate, and within segments of the DPP, these mobilisations were at times framed as a reactivation of the 2014 Sunflower Movement, emphasising presumed organisational and generational continuity. This framing, however, only partially reflected the empirical configuration of the protests, which remained largely confined to the pan-Green camp – centred on the DPP – rather than reproducing the cross-cutting dynamics of 2014 [Ho 2010; Ho 2019]. As a result, street-level mobilisation generated limited resonance beyond established partisan constituencies. Across the biennium under examination, the absence of executive control over the Legislative Yuan constituted a persistent source of institutional fragility, limiting the presidency's capacity to consolidate authority and to coordinate policy across domains. This condition of fragmented institutional alignment increasingly translated into a pattern of governance under constraint, in which domestic political vulnerability and external strategic pressure interacted, shaping both the management of security affairs and the evolving parameters of cross-Strait relations.

2.3. *Semantic recalibration and the erosion of cross-strait discursive equilibria*

In his inaugural address of 20 May 2024, Lai articulated a recalibrated semantic framework for cross-Strait relations [Lai 2024] that combined formal adherence to the status quo with a more explicit assertion of political separation from the PRC.[3] While reiterating the absence of any intention to pursue either formal independence or unification, Lai defined Beijing as a source of political and military intimidation and called on China to cease coercive practices. He further urged recognition of the empirical reality that the ROC and the PRC constitute two distinct and non-subordinate political entities [OPROC 2024]. Compared with the inaugural addresses of Tsai Ing-wen [Tsai 2016; Tsai 2020], in which the formula of maintaining the status quo was consistently reaffirmed while being endowed with an increasingly proactive semantic content [Sullivan 2024], Lai's discourse was characterised by a reduced reliance on strategic ambiguity. It also displayed a more explicit articulation of political and normative difference, notably through the centrality accorded to democracy and the strengthening of relations with the United States.

From Beijing's perspective, such language was readily interpreted as an attempt to «Taiwanise» the constitutional framework of the ROC and to advance a form of de facto independence through discursive means [XHW 2024]. While this shift has often been attributed to personal differences between Lai and his predecessor, it is more accurately understood as reflecting the progressive erosion of the informal structure that had long regulated cross-Strait relations through a fragile «semantic compromise» [Pelaggi 2022] and an implicit «agreement on disagreement» [Congiu and Onnis 2022]. This framework, which also underpinned the triangular equilibrium among Taipei, Beijing, and Washington, relied on deliberate ambiguity, selective silences, and the coexistence of divergent interpretations [Pelaggi 2023]. Within such a system, meaning was produced not only through explicit statements but also through omission and semantic restraint, rendering each lexical choice a consequential element in the maintenance of stability across the Strait. As Beijing's assertiveness became increasingly pronounced in the years following 2020, the space for discursive ambiguity narrowed accordingly, constraining the semantic margins within which Taipei could operate and shaping both the tone and the conceptual boundaries of Lai's inaugural address.

3. Taiwanese presidential inaugural addresses have been widely analysed as discursive sites for defining Taiwan in relation to both the PRC and Chinese culture and identity. See amongst others [Hsu, Lai & Liu 2022; Lu & Ahrens 2008].

2.4. *Symbolic politics, constitutional conflict, and systemic political stress*

Beyond parliamentary confrontation, the first year of Lai's presidency was characterised by a convergence of symbolic, legal, and security-related developments that subtly reshaped the contours of Taiwan's domestic-external nexus. In July 2024, the government announced the withdrawal of military honour guards from the Chiang Kai-shek Memorial Hall as part of broader transitional justice efforts [Reuters 2024a]. While not constituting a decisive rupture, the move signalled a further distancing from the historical legacy of the ROC and contributed to a gradual re-signification of public memory, reinforcing a Taiwan-centred political identity.

This symbolic recalibration unfolded alongside a parallel hardening of the cross-Strait security environment. In June, Beijing formally criminalised so-called separatist behaviour by Taiwanese citizens [RMW 2024], prompting Taipei to issue official travel advisories discouraging visits to the PRC, Hong Kong, and Macao [Sampson 2024]. At the institutional level, the same period witnessed a marked escalation of constitutional conflict. In October, the Constitutional Court struck down key elements of the parliamentary reform package adopted in May on separation-of-powers grounds [Hioe 2024, 1 November], while subsequent legislative manoeuvres aimed at altering the Court's procedural framework – combined with renewed physical confrontation in the Legislative Yuan in December [Garcia & Khan 2024, 20 December] – further exposed the fragility of Taiwan's constitutional equilibrium under conditions of divided government [Yang 2025, 3 December].

In this context, the arrest and subsequent detention of Ko Wen-je in September 2024 added a further source of political volatility. While not unprecedented in Taiwan's post-authoritarian trajectory, the investigation of a former presidential candidate who had emerged outside the two major parties disrupted established patterns of party competition.[4] From a comparative perspective, Ko's trajectory resonated with broader dynamics of populism in established democracies, characterised by leader-centred mobilisation, digital visibility, and episodic surges of support [Liu 2025] – particularly among younger voters disaffected with Taiwan's dominant political camps [Nachman 2024]. This development intersected with an atypical interpretation of the China factor: unlike the structured DPP-KMT cleavage, Ko's political project approached cross-Strait relations in a largely de-ideologised and situational manner [Chen & Paris-Rodriguez 2024], introducing

4. A useful interpretative lens is provided by Yeh and Chang's analysis of East Asian constitutionalism, which highlights the growing juridification of politics. In Taiwan, judicial proceedings against political actors had long constituted a recurrent feature of party competition, appeared to recede in prominence during periods of consolidated governance, and have re-emerged more forcefully under recent conditions of political fragmentation, shaping electoral and inter-party dynamics without translating into overt constitutional conflict between branches of government [Yeh & Chang 2011].

an additional layer of strategic indeterminacy into an already fragmented political landscape. The episode thus exposed the structural fragility of a political formation closely tied to individual charisma, weakening the TPP at a moment of heightened parliamentary relevance and leaving unresolved the question of Ko's capacity to re-emerge as a durable political actor, despite tentative efforts at repositioning in late 2025.

In their cumulative effect, these developments illustrate how pressures on Taiwan's political order during 2024 did not operate along isolated tracks, but intersected across memory politics, constitutional governance, judicial accountability, and cross-Strait security, contributing to a sustained climate of institutional and strategic tension.

2.5. *Divided government, recall politics, and the stabilisation of domestic volatility*

In October 2024, the Constitutional Court struck down key elements of the parliamentary reform package adopted by the KMT-TPP alignment, sharpening executive-legislative confrontation, which in December again degenerated into procedural paralysis and physical disorder within the Legislative Yuan. The early months of 2025 further exposed the volatility of the political landscape. Internal strains within the Taiwan People's Party surfaced with the election of Huang Kuo-chang as acting party chair in February [CNA 2025a], followed shortly by the resignation of TPP legislator Wu Chun-cheng over alleged conflicts of interest. In March, President Lai adopted a more securitised public posture by explicitly labelling China a «foreign hostile force» [Davidson 2025, 14 March] and announcing new national security measures, including plans to reinstate a peacetime military court system – moves reflecting both heightened external pressure and increasingly constrained domestic margins for manoeuvre.

Against this backdrop, the legislative recall elections of July 2025 emerged as the clearest indicator of presidential fragility. Initiated in the aftermath of the 2024 elections and framed by their proponents as a corrective to opposition obstructionism under conditions of external threat, the recall campaign targeted a substantial bloc of KMT legislators [CNA 2025b]. Its comprehensive failure – none of the 24 opposition lawmakers lost their seats – confirmed the limits of extra-parliamentary strategies to rebalance power and underscored the durability of institutional fragmentation. Rather than resolving the impasse produced by divided government, the recall episode consolidated a condition of prolonged political stress, in which domestic polarisation, weakened executive leverage, and persistent pressure from the PRC interacted to shape Taiwan's political trajectory. A further consequence of the failed recall campaign was the emergence of frictions between the DPP and the civic groups that had promoted the initiative. Within pro-recall circles, the DPP was increasingly accused of having offered only cautious and instrumental support [CNA 2025c], without ful-

ly committing its organisational resources to a strategy whose prospects it was perceived not to have genuinely embraced – a perception reinforced by electoral figures [Hsieh 2025b, 18 August] showing weak mobilisation even in constituencies traditionally considered DPP strongholds.

This perception contrasted with the precedent of 2020, when the recall of Kaohsiung mayor Han Kuo-yu – the first successful recall of a major executive officeholder in Taiwan's democratic history – had unfolded in a markedly different political conjuncture [Insisa 2021, p. 203]. That episode coincided with the Hong Kong protests and a phase of heightened cross-Strait anxiety, which facilitated mobilisation and contributed to the consolidation of political support around President Tsai Ing-wen. By contrast, the 2025 recall initiatives unfolded in a context of pronounced political fragmentation, marked by divided government, reduced executive agenda-setting capacity, and a less cohesive civil-society response. In contrast to earlier episodes of mobilisation, the China factor appeared less immediately galvanising, as sustained coercive pressure had become increasingly normalised within public perception. Rather than triggering collective political activation, external pressure was increasingly managed through forms of societal and institutional «denial» [Shetler-Jones 2025, 31 March] – understood as the absorption and neutralisation of coercive effects. In this sense, repeated exposure to coercion produced a degree of political habituation, stabilising patterns of domestic behaviour under pressure while progressively eroding the mobilising capacity of securitised narratives centred on China within Taiwan's internal political arena.

2.6. *Repositioning the Kuomintang: leadership change and cross-strait signalling*

The October 2025 election of Cheng Li-wun as KMT chair marked an unexpected inflection in the party's contemporary trajectory, both in terms of leadership profile and cross-Strait positioning [TVBS 2026]. Cheng emerged as an atypical figure within the party: a former DPP member later incorporated into the KMT, whose ascent was driven less by organisational seniority than by sharp rhetorical positioning and a highly personalised, media-oriented mobilisation strategy. Her campaign combined calls for internal renewal with populist appeals to party members disaffected by prolonged electoral stagnation, temporarily marginalising established patterns of factional brokerage and signalling a moment of organisational fluidity within the party.

At the level of cross-Strait discourse, Cheng's leadership entailed a clearer departure from the KMT's customary balancing posture between Washington and Beijing. Her rhetoric leaned more openly toward an accommodationist register vis-à-vis the mainland, while normalising a sceptical assessment of US reliability [Reuters 2025a, 18 October]. By framing Taiwan's strategic risk through the language of avoidance – warning against

being «sacrificed» or reduced to a bargaining chip in a broader US-PRC deal – and coupling calls for «peace» with opposition to major increases in defence spending, she implicitly relocated the party's discursive centre of gravity closer to Beijing's preferred vocabulary of stability-through-engagement. This repositioning was rapidly reinforced by external signalling following her election, most notably a congratulatory message from Xi Jinping praising the Kuomintang's role in promoting cross-Strait exchanges based on the 1992 Consensus and reiterating opposition to «Taiwan independence» [Reuters 2025b, 1 November; AP News 2025, 18 October].

In parallel with this outward-facing repositioning toward Beijing, Cheng's early tenure as KMT chair was also marked by a recalibration of interaction with the United States. Despite a campaign rhetoric openly sceptical of US reliability and critical of Taiwan's security dependence on Washington, Cheng received the Director of the American Institute in Taiwan,[5] Raymond Greene, at KMT headquarters in Taipei in November 2025 [CNA 2025d, 13 November]. While formally framed around conventional affirmations of Taiwan-US relations and cross-Strait stability, the meeting carried symbolic significance by virtue of both its location and timing, signalling Washington's willingness to sustain direct engagement with Taiwan's principal opposition force amid heightened sensitivity in executive-level exchanges. This selective engagement unfolded against a simultaneous contraction of presidential visibility. In July 2025, President Lai was denied permission to conduct a planned stopover in New York while transiting to Central America, following objections raised by Beijing and amid ongoing US-China trade negotiations [Sevastopulo & Hille 2025, 28 July]. Although not a formal policy shift, the decision disrupted a long-established practice through which Taiwanese presidents had exercised limited yet symbolically salient international presence, traditionally functioning as a ritualised instrument of semantic equilibrium within the triangular relationship linking Taipei, Washington, and Beijing.

3. *Routinised coercion and operational innovation: Chinese military drills in the Taiwan Strait*

3.1. *From episodic signalling to sustained operational density*

Throughout 2024-2025, the regularisation of Chinese military drills in and around the Taiwan Strait provided a persistent strategic backdrop to Taiwan's domestic politics. Against this background, governance under divided

5. The American Institute in Taiwan (AIT) serves as the de facto US embassy in Taiwan, performing diplomatic, consular, and security-related functions in the absence of formal relations. Similar representative offices are maintained in Taipei by the vast majority of international actors.

government proved increasingly fragile. Under these conditions, governance under constraint emerged as a defining structural feature of Taiwan's strategic posture in the 2024-2025 biennium. The absence of stable institutional alignment at the domestic level intersected with an external security environment increasingly shaped by routinised coercive practices, narrowing the range of policy discretion available to the executive. Within this configuration, Chinese military drills and grey-zone operations, analysed in this paragraph, did not merely constitute an exogenous source of pressure. In earlier years, including during some of the more tense phases of cross-Strait relations, the prospect of open conflict rarely occupied a central place in Taiwan's official storytelling, which tended instead to frame relations with Beijing primarily through the language of coercion, deterrence, and Taiwan's constrained international status. Explicit references to scenarios involving direct military confrontation – such as large-scale hostilities, an amphibious assault, or the imposition of a blockade – were generally less prominent in official narratives. More recently, however, such possibilities have appeared with greater frequency in political and strategic debates, gradually becoming part of the context within which governmental action, crisis management, and the day-to-day calibration of security policy are discussed and articulated.

The security architecture of the Taiwan Strait during the 2024-2025 biennium underwent a marked qualitative transformation, evolving from the reactive «new normal» consolidated after 2022 [Insisa 2023, p. 134] toward a more institutionalised regime of routinised coercion [Pelaggi 2025, pp. 38-39]. Rather than constituting a sharp rupture with earlier patterns of pressure, developments during this period reflected the consolidation and extension of pre-existing dynamics, characterised by the regularisation of military activity and the progressive lowering of thresholds associated with presence, proximity, and operational visibility. Over this period, the People's Liberation Army (PLA) increasingly demonstrated the capacity to synchronise high-intensity kinetic signalling with targeted grey-zone measures, deploying a diversified toolkit that combined conventional military assets with paramilitary and civilian instruments. The cumulative objective of this approach was not the immediate generation of crisis, but the gradual erosion of Taiwan's defensive depth through persistent proximity, multidomain presence, and the redefinition of what constitutes routine activity in and around the Strait [Singh 2025, p. 23].

This logic materialised most clearly in the systematic intensification of aerial and naval activity throughout 2024. Between 2 and 3 April 2024, the ROC Ministry of National Defense (MND) reported the coordinated presence of 30 People's Liberation Army Air Force (PLAAF) aircraft and nine People's Liberation Army Navy (PLAN) vessels operating around the island, with a significant share of aircraft entering Taiwan's northern, central, and southwestern Air Defense Identification Zone ['PLA activities'

2024, 3 April]. Data released by Taiwan's MND and analysed by external observers indicate that 2024 marked a record year in terms of the frequency and regularity of PLA aircraft crossings of the Taiwan Strait median line [Ma & Tang 2025, 6 July].

Crucially, this increase did not correspond to a proportional rise in the total number of aircraft sorties detected around Taiwan, suggesting that the intensification of activity was driven less by an expansion of force deployment than by a deliberate reallocation of existing assets toward more forward and politically sensitive operating patterns. The sharp rise in the proportion of sorties crossing the median line – from 36.1 per cent in 2023 to 60.1 per cent in 2024 [Ma & Tang 2025, 6 July] – points to an operational environment characterised by persistent daily pressure rather than sporadic high-intensity surges. From a military perspective, this pattern implies that the PLA Eastern Theater Command Air Force was operating close to its maximum peacetime capacity throughout 2024. The absence of a significant increase in large-scale peak incursion periods suggests structural constraints related to command and control, logistics, and maintenance, which limit the frequency with which high-intensity operations can be sustained. At the same time, the growing regularity of median-line crossings enhanced training realism by forcing repeated responses from the ROC Air Force, embedding attrition into routine interaction rather than episodic confrontation.

3.2. *Encirclement narratives and the routinisation of multidomain coercion*

Within this evolving operational context, references to encirclement or constriction – often captured through the metaphor of an «anaconda strategy» in international media reporting and policy commentary – function primarily as narrative devices rather than as indicators of a unified or formally articulated operational blueprint [Singh 2025, p. 23; The Economist 2024, 3 October]. Such language has at times been echoed within Taiwanese political and military discourse – especially by admiral Tang Hua – not as a doctrinal construct, but as a descriptive shorthand used to convey the cumulative and spatially pervasive nature of pressure in the Strait [CNA 2024d]. This shift is relatively recent, insofar as until a few years ago Taiwan's self-positioning vis-à-vis Chinese pressure was articulated primarily in diplomatic terms – most notably with reference to international representation and exclusion – rather than framed as a sustained and existential security condition.

From 2024 onward, Taiwan increasingly framed Chinese pressure in the Strait as a permanent and systemic security condition. This marked a departure from earlier patterns of official discourse, in which expressions of concern were largely confined to episodes of diplomatic exclusion or challenges to international representation, rather than to the sustained articulation of the Strait itself as a continuous arena of security vulnerability. In this

sense, encirclement narratives contributed to the securitisation of daily military activity by translating routinised coercion into a communicable threat perception, without fundamentally redefining Taiwan's strategic posture or doctrinal assumptions.

The execution of the *Joint Sword-2024A* drills on 23-24 May 2024 constituted a further step in the PLA's refinement of multidomain coercion [ICG 2024, 26 September]. Presented by Chinese authorities as a response to President Lai Ching-te's inauguration speech, the exercises were announced with minimal advance notice and involved coordinated activities by multiple PLA services alongside the China Coast Guard (CCG) [Sela 2025, 1 April]. Official statements indicated a focus on joint combat readiness patrols and precision strike scenarios, while avoiding live-fire escalation in the immediate vicinity of the island [MNDPRC 2024a]. A distinctive feature of *Joint Sword-2024A* was its geographic scope, which extended beyond Taiwan's main island to include several outlying territories – notably Kinmen, Matsu, Wuqiu, and Dongyin [MNDPRC 2024b]. This spatial configuration foregrounded scenarios centred on partial encirclement, selective pressure, and jurisdictional contestation short of full-scale invasion. The concurrent involvement of the CCG in activities framed as «law enforcement» [ICG 2024, 26 September] further illustrated the coordinated use of military and quasi-military instruments.

This hybrid model was subsequently operationalised on 2 July 2024 with the interception of the Taiwanese vessel Tachinman 88 near Kinmen, reinforcing the gradual normalisation of coercive presence within Taiwan's restricted waters [van der Wees 2026, 5 January]. The drills also unfolded amid heightened international naval activity in adjacent waters, contributing to an increasingly dense operational environment in which PLA exercises took place alongside, though not directly linked to, the presence of US and allied naval assets. In 2025, PLA activity further evolved toward the deliberate synchronisation of military pressure with moments of heightened political sensitivity. Explicitly punitive drills conducted on 1 April 2025 reinforced the role of exercises as instruments of calibrated communication rather than purely military preparation. The symbolic dimension of power projection was further amplified on 13 September 2025 with the first transit of the aircraft carrier *Fujian* through the Taiwan Strait. Although officially framed as a training mission [XHW 2025a], the passage of China's most advanced carrier functioned as a high-visibility demonstration of the PLAN's expanding capacity to operate within one of the region's most politically sensitive waterways.

The biennium culminated in the live-fire drills known as *Justice Mission 2025*, conducted on 29-30 December 2025. The adoption of an explicit, mission-oriented new codename marked a qualitative shift in signalling practices [ISW 2026, 2 January], contributing to the further consolidation of what may be described as the institutionalisation of «political punctuation»

[van der Wees 2026, 5 January]. In contrast to earlier exercises primarily framed as situational or reactive responses, *Justice Mission 2025* displayed a more autonomous and programmatic logic, suggesting that named drills had become an established component of a stabilised repertoire of coercive communication aimed at asserting sovereignty claims and shaping the behaviour of external actors – most notably the United States and Japan – during periods of perceived regional or internal instability [Reed, Connell & Walberg 2026].

From an operational standpoint, the exercise was characterised by a markedly compressed timeline and by extremely limited advance notification, with activities unfolding rapidly across air, maritime, missile, and paramilitary domains. Chinese state media portrayed *Justice Mission 2025* as a «cold start» or snap exercise, emphasising its sudden onset and reinforcing an image of operational unpredictability [XHW 2025b]. This portrayal was partially at odds with information released by Taiwan's MND, which indicated that intelligence assets had detected irregular activity and potential preparatory movements several days prior to the official announcement of the drills [MNA 2025, 29 December]. The divergence between these narratives suggests that claims of spontaneity functioned less as a reflection of actual operational planning than as an element of strategic messaging, designed to amplify uncertainty and psychological pressure within an already saturated security environment.

In substantive terms, *Justice Mission 2025* both followed and expanded upon the thematic and operational patterns established in the post-2022 exercise cycle, while simultaneously introducing a series of notable firsts. These included the closest live-fire activity to Taiwan recorded to date, the first deployment of a Type 075 amphibious assault ship in a joint exercise conducted around the island [Tang 2026, 9 January], and an increased emphasis on psychological warfare and political communication alongside conventional manoeuvres [XHW 2025c]. The sequencing of activities – encompassing air superiority operations, maritime interdiction, coordinated long-range rocket launches, and sustained China Coast Guard «law enforcement» patrols – reinforced the hybrid character of the exercise. As with earlier drills, *Justice Mission 2025* thus fulfilled a dual function: providing operational experience to PLA and associated forces, while simultaneously operating as a calibrated signalling instrument directed both inward, toward Taiwan, and outward, toward external stakeholders, within a broader framework of routinised coercion.

3.3. *Grey-zone vulnerabilities and infrastructural interdiction*

Alongside these conventional displays of force, the PRC intensified grey-zone operations targeting Taiwan's critical infrastructure. On 25 February 2025, the Taiwan-Penghu No. 3 submarine communications cable was severed [Ocon & Walberg 2025, 4 June]. The subsequent detention of a

Togolese-flagged vessel with a Chinese crew operating in the vicinity underscored both Taiwan's vulnerability to non-kinetic interdiction and the strategic utility of plausible deniability in contemporary maritime coercion.

Taken together, developments during the 2024-2025 period confirm a shift toward a condition of continuous, multidomain pressure in the Taiwan Strait. Military drills increasingly functioned not merely as episodic demonstrations of capability, but as a permanent communicative layer of the «new normal», within which routine activity and contingency were deliberately blurred [Roctus 2025]. Beyond their immediate operational effects, these practices also reflect a broader transformation under Xi Jinping, whereby the PLA has moved from a background instrument of long-term coercive patience to a central and overt mechanism of pressure, increasingly positioned as the primary tool through which Beijing seeks to force a resolution of the Taiwan question [Campagnola 2024].

4. *Political stress, external exposure, and strategic adjustment (2024-2025)*

4.1. *Taiwan-United States relations in an era of uncertainty: ambiguity, transactionalism, and asymmetric bargaining*

Across 2024-2025, relations between Taipei and Washington were shaped by the interaction of sustained external pressure, domestic political constraint in Taiwan, and the return of a polarised US presidency following Donald Trump's reassumption of office on 20 January 2025. The November 2024 US presidential election thus constituted a structural turning point within the biennium, redefining the parameters of Taiwan's most consequential external relationship.

From Taipei's perspective, the early phase of the Trump II administration was marked by efforts to secure communication channels with the new White House while avoiding missteps in an increasingly personalised decision-making environment. Several analysts suggested that this caution may have limited Taiwan's visibility at the presidential level, noting that «President Lai may have played his cards too safe when it comes to making an impression on President Donald Trump» [Hsieh 2025a, 8 January]. While necessarily speculative, such assessments reflected broader concern over the difficulty of signalling within an administration where perception and personal rapport appeared unusually salient. Uncertainty was reinforced by presidential rhetoric. In February 2025, President Trump declined to clarify whether the United States would intervene militarily in the event of a Chinese attack on Taiwan, preferring not to «comment on that» [Hunnicutt 2025, 27 February]. Although formally consistent with strategic ambiguity, the blunt delivery generated unease among analysts who feared deterrence could be weakened by perceived indifference rather than calibrated restraint. At the same time, this ambiguity contrasted with repeated reas-

surances from senior administration officials. The Secretary of State and other representatives of the foreign policy apparatus consistently reaffirmed opposition to unilateral changes to the status quo and commitments under the Taiwan Relations Act. Similar language was reiterated in October 2025 ahead of renewed diplomatic engagement with Beijing [US Department of State 2025, 25 October], reinforcing the impression that reassurance and uncertainty were being produced simultaneously. The coexistence of presidential reticence and bureaucratic continuity thus became a defining feature of Trump II, complicating Taipei's strategic calculus.

Economic policy further accentuated this pattern. The imposition of steep US tariffs on Taiwanese exports in April 2025 – initially set at 32 per cent [XZY 2025] – introduced an unexpected source of strain into a relationship Taipei had framed as grounded in shared strategic interests.[6] Although tariffs were subsequently reduced to 20 per cent and later to 15 per cent following substantial Taiwanese investment commitments in the US semiconductor sector [US Department of Commerce 2026, 15 January], the episode illustrated the increasingly transactional logic structuring bilateral economic relations [Whelan & Ramkumar 2026, 2 February; Sacks & Segal 2025, 4 March]. Major new investments by TSMC reinforced Taiwan's relevance within US industrial policy but also highlighted Taipei's constrained room for manoeuvre under asymmetric bargaining conditions, especially as key US allies such as Japan and South Korea faced comparatively lighter tariff burdens. At the same time, the Lai administration signalled a noticeable recalibration of the domestic agenda that had characterised the Tsai Ing-wen years, particularly on issues related to gender politics.[7] This shift reflected not only Lai's own political orientation but also an effort to maintain closer political alignment with Washington under the Trump administration.

In contrast to executive-level ambiguity, the US Congress maintained a consistently assertive and bipartisan posture on Taiwan throughout 2025. Legislative initiatives such as the Porcupine Act, the Taiwan Assurance Implementation Act, and Taiwan-related provisions in the FY2026 National Defense Authorization Act (NDAA) reflected a growing consensus in favour of strengthening Taiwan's deterrent capabilities and institutional ties with Washington. President Trump's reluctant signature of the NDAA, accompanied by reservations over constraints on executive authority, further under-

6. For a detailed assessment of the tariffs imposed by the United States on Taiwan, their subsequent reduction, and, above all, the impact of these measures on Taiwanese public opinion and levels of trust in the United States as an ally, see Freedman [2025, 11 July].

7. The most visible example was probably the case of boxer Lin Yu-ting during the 2024 Olympics controversy. Presidential support from Lai appeared limited and carefully circumscribed, addressed primarily to the domestic audience through messages on social media and local Chinese-language radio [Ouyang 2024, 2 August], without a clear attempt to project the issue internationally.

scored institutional tension between congressional codification of support and presidential preference for flexibility. Taipei responded by emphasising strategic responsibility. In November 2025, President Lai announced a US$40 billion supplementary defence budget extending through 2033 [OPROC 2025], aimed at accelerating arms acquisitions, enhancing asymmetric capabilities, and raising defence spending toward 5 per cent of GDP. While welcomed by US officials, the initiative encountered domestic political resistance, illustrating how external uncertainty fed back into Taiwan's internal constraints and reinforced patterns of governance under constraint.

At the same time, uncertainty surrounding the durability of US security commitments – partly shaped by the Trump administration's approach to the war in Ukraine – contributed to a more cautious strategic environment. While the Biden administration's response to the Russian invasion has demonstrated how coordinated military, economic and diplomatic measures can impose extremely high costs on a revisionist power [Fravel 2023], a lesson not lost on Beijing when considering the implications of a potential conflict over Taiwan. At the same time, Washington's evolving political posture has highlighted possible vulnerabilities in the perceived reliability of US commitments [Yang 2025, 14 February]. This dynamic carries direct implications for deterrence calculations in the Taiwan Strait.

4.2. *Deterrence without guarantees: strategic documents, congressional activism, and policy recalibration*

These dynamics were also reflected in US strategic documents. The National Defense Strategy did not explicitly mention Taiwan, yet emphasised the need for «a strong denial of defense along the First Island Chain» [US Department of Defense 2026, p. 4], implicitly situating the island within a broader regional deterrence architecture [Lin & Hart 2026, 26 January]. The National Security Strategy (NSS) 2025 adopted more explicit language, identifying the deterrence of a conflict over Taiwan as a priority while committing to «not support any unilateral change to the status quo in the Taiwan Strait» [White House 2025, November, p. 23]. The shift from earlier formulations opposing such changes did not amount to a doctrinal rupture [Termine & Ercolani 2022], but rather reflected continuity in strategic intent combined with renewed emphasis on flexibility and ambiguity [Lee 2026, 22 January]. The NSS also reiterated the strategic importance of Taiwan's semiconductor industry for US industrial resilience and supply-chain security, an element already present – albeit with different nuances – in previous editions of US strategic guidance. This orientation was further underscored by the NSS's affirmation that «while in our dealings with Taiwan and Australia we maintain our determined rhetoric on increased defense spending» [White House 2025, November, p. 24], signalling a preference for capability-based deterrence over declaratory guarantees. In this sense, already mentioned recently adopted legislative measures, rather than re-

defining US policy, functioned as instruments for consolidating Taiwan's deterrent posture by recalibrating the frameworks governing arms transfers and defence cooperation. By streamlining procurement procedures, elevating Taiwan's status within export-control and security-assistance regimes, and facilitating more rapid access to asymmetric capabilities, these measures enhanced material readiness and deepened institutional embedding within US security planning, while preserving a high degree of executive discretion.

More broadly, the debate reflects the potential risks associated with the growing polarization of U.S. foreign policy discussions [Nachman 2025]. Historically, the Taiwan issue has benefited from a relatively stable bipartisan consensus in Washington [Wang 2024], which has long represented one of the structural pillars of U.S. policy toward the island and its role within the regional security architecture. A visible partisan fracture on Taiwan would therefore constitute an unprecedented development in the history of U.S.-Taiwan relations. At present, however, polarisation appears to influence the surrounding political discourse more than the substance of policy itself. While rhetorical signals occasionally reflect the broader climate of domestic contestation, the institutional and strategic framework of U.S. support for Taiwan has remained largely unchanged, and the administration appears to maintain a consistent securitising posture toward Taiwan and the stability of cross-strait relations [Hanson & Keyes 2024].

5. *Conclusions*

Over the course of 2024-2025, Taiwan's political system exhibited the cumulative effects of divided government, as a weakened presidency confronted sustained legislative resistance, constitutional contestation, and the limits of recall politics. In parallel, greater uncertainty and transactional tendencies in US policy rendered long-standing practices of symbolic management more fragile than in earlier periods. Even so, Taiwan's expanding external exposure did not culminate in diplomatic marginalisation. On the contrary, sustained support from Japan – whose foreign and security policy under Prime Minister Sanae Takaichi has pivoted toward a proactive and pragmatic posture [Jain 2025] – and the increasing density of parliamentary and governmental delegations from European states [Šimalčík et al. 2025, pp. 18-20] signalled a broader, if still predominantly political and diplomatic, expansion of Taiwan's international space. At the same time, the Lai administration continued to advance defence planning despite institutional blockage, including through the proposal of a record-scale 2025 defence budget amounting to NT$647 billion [Reuters 2024b, 22 August]. Economically, Taiwan's performance remained striking. Growth accelerated on the back of AI-driven export demand, with official forecasts repeatedly revised

upward through late 2025 [Hille 2025, 28 November] and the 2025 outturn later assessed at 8.6 per cent, the fastest pace in fifteen years [Chan 2026, 30 January].

Overall, the period under review points to a cross-Strait environment defined by heightened coercive pressure and greater uncertainty in US signalling, but also by a more assertive – though not overtly confrontational – Taiwanese diplomacy vis-à-vis Europe and other like-minded partners, alongside sustained economic dynamism. Rather than producing a decisive realignment, these dynamics contributed to the reproduction of constraint, stabilising Taiwan's adaptive capacity while leaving the island's structural position within the regional order fundamentally unchanged. At the same time, both Taipei's international projection and elements of its domestic policy agenda appear increasingly calibrated to evolving relations with Washington and to the emerging strategic pressure in the Taiwan Strait.

Bibliography

AP News, 2025, 18 October, 'KMT picks upstart Cheng Li-wun as new leader, jolting Taiwan's old guard'.

Bowman, Daniel, 2012, 'Righting the Wrongs of the Past? The Human Rights Policies of Chen Shui-bian and Ma Ying-jeou', in David Blundell (ed.), Taiwan Since Martial Law: Society, Culture, Politics, Economy, Berkeley: University of California Press.

Campagnola, Davide, 2024, November, 'The Status Quo between Taiwan and China: The Inevitability of a Dramatic End?', *Taiwan Politics*.

Chan, Ho-him, 2026, 30 January, 'Taiwan's economy grows 8.6% in 2025, fastest rate in 15 years, turbocharged by the AI boom', Associated Press.

Chao, Chien-Chih, & Huang, Wan-Ning, 2015, 'Civility and Civil Society and Their Relationship to Democratisation in Taiwan', China: An International Journal, 13(1), pp. 155-180.

Chen, Dean P., and Kiely Paris-Rodriguez, 2024, 'The Role of the 1992 Consensus and Taiwan's 2024 Presidential Elections', East-West Center Occasional Paper, Honolulu: East-West Center.

CAN, 2024a, '立院續審國會職權修法藍白占據主席台 與綠委搶掛布條爆衝突' (Legislative Yuan resumes the deliberation on the parliamentary powers reform; the Blue-white coalition occupies the speaker's rostrum, clashes erupt while green lawmakers hang banners), 2024, 24 May (https://www.cna.com.tw/news/aipl/202405245003.aspx).

CAN, 2024b, '刑法藐視國會罪三讀　公務員虛偽陳述最重關1年' (The criminal code offence "contempt of the legislature" passes third reading. Public official and officers face up to one year in jail for false testimony), 2024, 28 May (https://www.cna.com.tw/news/aipl/202405285006.aspx).

CAN, 2024c, '立院職權修正案藍白人數優勢下三讀　場外青鳥行動多次集結抗議' (Legislative Yuan powers reform bill passes after third voting round thanks to

the strong numerical advantage of the blu-white coalition. Outside the Legislative Yuan the Bluebird movement gathered repeatedly in protest) 2024, 28 May (https://www.cna.com.tw/news/aipl/202405280432.aspx).
CAN, 2024d, '海軍司令唐華：共軍蟒蛇策略　隨時準備封鎖台灣' (Tang Hua, Commander of the Navy: PLA's anaconda stratey can cause Taiwan blockade at any time), 2024, 4 October (https://www.cna.com.tw/news/aipl/202410040135.aspx).
CNA, 2025a, '民眾黨主席補選　黃國昌得票率9成6勝出' (Huang Kuo-chang obtained the 96% of the votes in the Taiwan People's Party chair by-elections), 2025, 15 February (https://www.cna.com.tw/news/aipl/202502155004.aspx).
CAN, 2025b, '2025立委罷免案開票結果一覽 7月26日24案全數不通過' (2025 Legislative Yuan lawmakers recall vote result at a glance: none of the recalls were approved), 2025, 26 July (https://www.cna.com.tw/news/aipl/202507265011.aspx).
CNA, 2025c, '曹興誠喊話志工：放下8/23罷免讓民進黨努力', (Tsao Hsins-cheng Calls on volunteers to set a side the August 23 recall and let the DPP continue on its efforts), 2025, 27 July (https://www.cna.com.tw/news/aipl/202507270065.aspx).
CNA, 2025d, '國民黨主席鄭麗文與美國在台協會處長會面：台美關係至關重要，期盼美方持續支持' (KMT Chair Cheng Li-wun meets with American Institute in Taiwan Director: Taiwan-US relations are of paramount importance, and she hopes that the american part will continue its support), 2025, 13 November, (https://www.cna.com.tw/news/aipl/202511120365.aspx).
Congiu, Francesca, & Barbara Onnis, 2022, *Fino all'ultimo Stato. La battaglia diplomatica tra Cina e Taiwan*, Roma: Carocci.
Corcuff, Stéphane, 2012, The Liminality of Taiwan: A Case-Study in Geopolitics, in Taiwan in Comparative Perspective, 4(12), pp. 34-64.
Davidson, Helen, 2025, 14 March, 'Taiwan's president labels China a «foreign hostile force» and ramps up security measures citing «infiltration»', Guardian.
Dreyer, June Teufel, 2024. 'Taiwan's 2024 Election', *American Journal of Chinese Studies*, *31*(1), pp. 61-72.
Everington, Keoni, 2024, 24 May, 'China holds 2nd day of military drills around Taiwan', *Taiwan News*.
Fravel, M. Taylor, 2023, 'China's Potential Lessons from Ukraine for Conflict over Taiwan', The Washington Quarterly, 46(3), pp. 7-25.
Freedman, Joshua B., 2025, 11 July, 'The Impacts of Trump's Tariffs on Taiwan', Foreign Policy Research Institute.
Garcia, Sam, & Fion Khan, 2024, 20 December, 'Clashes erupt in Legislative Yuan as DPP blocks legislative procedures', *Taipei Times*.
Hanson, Nicholas, & John Keyes, 2024, Forging Consensus: Analyzing the Gap in U.S. Domestic Support to Defend Taiwan Against CCP Aggression, M-RCBG Associate Working Paper Series, No. 233, Cambridge, MA: Mossavar-Rahmani Center for Business & Government, Harvard Kennedy School.
Hioe, Brian, 2024, 1 November, 'Taiwan's Constitutional Court Strikes Down Much of Legislature's Controversial New Powers', *The Diplomat*.
Hille, Kathrin, 2025, 28 November, 'Taiwan's economy roars ahead on back of AI demand', Financial Times.
Ho, Ming-sho, 2010, 'Understanding the Trajectory of Social Movements in Taiwan (1980-2010)', Journal of Current Chinese Affairs, 39(3), pp. 3-36.
Ho, Ming-sho, 2019, *Challenging Beijing's Mandate of Heaven: Taiwan's Sunflower Movement and Hong Kong's Umbrella Movement*, Philadelphia: Temple University Press.

Hornung, Jeffrey W., Miranda Priebe, Bryan Rooney, Patrick Hulme, Nobuhiko Tamaki, & Yu Inagaki, 2023, Like-Minded Allies? Indo-Pacific Partners' Views on Possible Changes in the US Relationship with Taiwan, Santa Monica, CA: RAND Corporation (https://www.rand.org/pubs/research_reports/RRA739-7.html).

Hsieh, Chieh-chi, 2025a, 8 January, 'Taiwan in 2024: Geopolitical Uncertainties', *Taiwan Insight*.

Hsieh, Chieh-chi, 2025b, 18 August, 'Winners and Losers of the Great Recall Election in Taiwan', *Taiwan Insigh*t.

Hsu, Hsiao-Ling, Huei-Ling Lai & Jyishane Liu, 2022, 'Democracy in Taiwanese presidential inaugural addresses: Metaphors, source domains, scenarios, and ideologies', Concentric: Studies in Linguistics, 48, pp. 212-248.

Huang, Cheng-Yi, 2021, 'A Noble Dream Undelivered: The Quest for Transitional Justice during Tsai Ing-wen's First Term', in Gunter Schubert, & Chun-yi Lee (eds.), Taiwan During the First Administration of Tsai Ing-wen, London: Routledge.

Hunnicutt, Trevor, 2025, 27 February, 'Trump declines to answer question about China and Taiwan', Reuters.

ICG (International Crisis Group), 2024, 26 September, 'The Widening Schism across the Taiwan Strait', *Asia-Pacific Report* No. 342.

Ill-gotten Properties Act 2016, 10 August, 政黨及其附隨組織不當取得財產處理條例' (The Act Governing the Settlement of Ill-gotten Properties by Political Parties and Their Affiliate Organizations), promulgated by Presidential Order Hua-Tsung (1)-Yi-Tzu No. 10500091191, 2016, 10 August (https://www.cipas.gov.tw/regulations/21).

Insisa, Aurelio, 2021, 'Taiwan 2020: Crossroads of Covid-19 international politics', Asia Maior, XXX/2020, pp.181-204.

Insisa, Aurelio, 2023, 'Taiwan 2022: Cross-Strait security spirals further down', *Asia Maior*, XXXIII/2022, pp. 131-155.

ISW (Institute for the Study of War), 2026, 2 January, *China & Taiwan Update*.

Jain, Purnendra, 2025, 'Proactive Pacifism and Beyond: Japan's Foreign and Security Policy Pivots to Pragmatism Replacing Idealism', *Journal of Asian Security and International Affairs*, 1-21.

Lai, Ching-te, 2024, 20 May, 'Inaugural Address of the 16th-term President of the Republic of China (Taiwan)', Office of the President, Republic of China (Taiwan) (https://english.president.gov.tw/News/6726).

Lee, James, 2026, 22 January, 'Taiwan and the Trump Administration's National Security Strategy', University of California Institute on Global Conflict and Cooperation (UCIGCC).

Lin, Bonny, & Brian Hart, 2026, 26 January, 'What Does the Trump Administration's New National Defense Strategy Say About China?', Center for Strategic and International Studies.

Lin, Sharon, 2024, 18 April, 'Taiwan's Cabinet establishes May 19 as annual White Terror Memorial Day', *Rti News*.

Liu, Kerry, 2025, 'The Rise and Trajectory of Taiwan's Ko Wen-Je: An Online Perspective', Taiwan Politics, November, pp. 1-24.

Lu, Louis Wei-Lun, & Kathleen Ahrens, 2008, 'Ideological Influence on BUILDING Metaphors in Taiwanese Presidential Speeches', Discourse & Society, 19(3), pp. 383-408.

Ma, Cheng-kun, & K. Tristan Tang, 2025, 6 July, 'Military Implications of PLA Aircraft Incursions in Taiwan's Airspace 2024', China Brief, China and the

Asia-Pacific, 25 (1), Jamestown Foundation (https://jamestown.org/military-implications-of-pla-aircraft-incursions-in-taiwans-airspace-2024/).
MND, 2025, '中共片面宣布軍演　國防部：綿密掌握確保國家安全' (The PRC Unilaterally Announces Military Drills; MND: Closely Monitoring to Ensure National Security), 2025, 29 December (https://www.mnd.gov.tw/news/mnd/85591).
MNDPRC, 2024a, '利剑出鞘！直击东部战区台岛周边联合演习震撼现场'(Sword unsheated! Up close footage from the joint exercises around Taiwan of PLA's Eastern Theater Command), 2024, 23 May, (http://www.mod.gov.cn/gfbw/spbb_214126/16310737.html).
MNDPRC, 2024b, '东部战区发布 «联合利剑—2024A» 演习区域示意图'(The PLA Eastern Theater Command released a map of Joint Sword-2024A training exercise area), 2024, 23 May, (http://www.mod.gov.cn/gfbw/qwfb/16310684.html).
Nachman, Lev, 2024, 'Small but Mighty: Third Parties in Taiwan's 2024 Election', Asia Policy, 19(2), pp. 101-108.
Nachman, Lev, 2025, 'Can Taiwan Survive Partisanship? Evidence from Two Survey Experiments', Japanese Journal of Political Science, 26(3), pp. 168-188.
Ocon, Jamie & Jonathan Walberg, 2025, 4 June, 'China's Undersea Cable Sabotage and Taiwan's Digital Vulnerabilities', *Global Taiwan Institute*.
OPROC, 2024, '總統發表就職演說　宣示打造民主和平繁榮的新臺灣' (The President delivers its inaugural address, pledging to build a new democratic, peaceful and prosperous Taiwan.), 2024, 20 May (https://www.president.gov.tw/News/28428).
OPROC, 2025, '總統主持「守護民主台灣國安行動方案」記者會　強調以實力守護台海和平　以決心掌握國家命運' (President Lai presides over a press conference centered on the National Security Action Plans to Safeguard Demcratic Taiwan, pointing out that peace in the Taiwan Strait will be secured through strength and reaffirming the Government's resolve to shape the nation's future), 2025, 26 November (https://www.president.gov.tw/News/39650).
Ouyang, Meng-ping (歐陽夢萍), 2024, 2 August, '林郁婷今晚出賽　賴總統盼全民做堅定後盾', RTI Central Broadcasting System (https://www.rti.org.tw/news?uid=3&pid=80720).
Pelaggi, Stefano, 2022, 'Trent'anni di relazioni diplomatiche tra l'Italia e Taiwan (1949-1979)', *Processi storici e politiche di pace*, 31-32, pp. 101-126.
Pelaggi, Stefano, 2023, 'The evolution of Italian-Taiwanese relations in light of the growing US-PRC competition', Il Politico, 88(2/259), pp. 58-75.
Pelaggi, Stefano, 2025, 'China's Foreign Policy 2024: Strategic Assertiveness and Diplomatic Adaptation', Asia Maior, XXXIV/2024.
'PLA activities in the waters and airspace around Taiwan Apr. 3, 2024', *Ministry of National Defense ROC (Taiwan)*, 2024, 3 April, (https://www.mnd.gov.tw/en/informationservices/publication/82812).
Reed, Noah, Ethan Connell, & Jonathan Walberg, 2026, 'Creeping Closer: Timeline and Analysis of the Justice Mission-2025 Joint Exercise', *Taiwan Security Monitor.*
Reuters, 2024a, 12 July, 'Taiwan to withdraw honour guards from Chiang Kai-shek memorial'.
Reuters, 2024b, 22 August, 'Taiwan plans record defence budget for 2025 despite parliamentary deadlock'.
Reuters**,** 2025a, 18 October, 'Taiwan opposition KMT elects Cheng Li-wun as party chair'.
Reuters**,** 2025b, 1 November, 'China's Xi congratulates new KMT chair Cheng Li-wun, backs 1992 Consensus'.

RMW, 2024, '最高人民法院 最高人民檢察院 公安部 國家安全部 司法部印發《關於依法懲治“台獨”頑固分子分裂國家、煽動分裂國家犯罪的意見》的通知' (Notice regarding the issuance by the Supreme People's Court, the Supreme People's Procuratorate, the Ministry of Public Security, The Ministry of State Security and the Ministry of Justice of the «Opinions on Punishing, in Accordance with the Law, the Diehard elements advocating for "Taiwan Independence"» for Crimes of Secession from the State and Incitement of Secession from the State) 2024, 21 June. (http://politics.people.com.cn/BIG5/n1/2024/0622/c1001-40261801.html).

Roctus, Jasper, 2025, 12 November, 'Cross-Strait Tensions in 2025: Why Escalation Remains Unlikely', *Egmont Institute*

Sacks, David, & Adam Segal, 2025, 4 March, 'Unpacking TSMC's $100 Billion Investment in the United States', Council on Foreign Relations (https://www.cfr.org/articles/unpacking-tsmcs-100-billion-investment-united-states).

Sampson, Eve, 2024, 27 June, 'Taiwanese Are Told to Avoid China After It Threatens Independence Backers', New York Times.

Schubert, Günter, 2012, 'Taiwan's Political Evolution from Authoritarianism to Democracy and the Development of Cross-Strait Relations', in Jens Damm & Paul Lim (eds.), European Perspectives on Taiwan, Wiesbaden: VS Verlag für Sozialwissenschaften.

Sela, Ori, 2025, 1 April, 'Tensions Around Taiwan: Summary of 2024', *INSS Insight* No. 1947.

Sevastopulo, Demetri, & Kathrin Hille, 2025, 28 July, 'Donald Trump blocks Taiwan's President Lai Ching-te from New York stopover', Financial Times.

Shetler-Jones, Philip, 2025, 31 March, 'Taiwan's Evolving Response to China's Grey Zone Actions', RUSI (https://www.rusi.org/explore-our-research/publications/policy-briefs/taiwans-evolving-response-chinas-grey-zone-actions).

Šimalčík, Michal, Kironska, Kristina, & Gerstl, Alfred (eds.), 2025, Partners in Need, Partners Indeed? Tracking Europe-Taiwan Relations amidst Global Disruption, CEIAS Papers, Bratislava: Central European Institute of Asian Studies.

Singh, Gunjan, 2025, 'Is China Planning to Attack Taiwan?', *Journal of World Affairs: Voice of the Global South*, 1(1), pp. 21-29.

Sullivan, Jonathan, 2024, 'Time matters in Cross-Strait relations: Tsai Ing-wen and Taiwan's future', The China Quarterly, 259, pp. 629-644.

Tang, K. Tristan, 2026, 9 January, 'PLA Justice Mission 2025 Further Rehearses Taiwan Invasion Operations', Jamestown.

The Economist, 2024, 3 October, 'China is using an «anaconda strategy» to squeeze Taiwan'.

Termine, Lorenzo, & Antonella Ercolani, 2022, 'Integrazione o competizione? L'approccio alla Cina nei documenti strategici americani', in Gabriele Natalizia & Andrea Carteny (eds.), Come difendere l'ordine liberale. La grand strategy americana e il mutamento internazionale, Milano: Vita e Pensiero.

Tsai, Ing-wen, 2016, *Inaugural address of the 14th-term President of the Republic of China (Taiwan)*, 20 May, Office of the President, Republic of China (Taiwan), https://www.president.gov.tw/NEWS/20444

Tsai, Ing-wen, 2020, *Inaugural address of the 15th-term President of the Republic of China (Taiwan)*, 20 May, Office of the President, Republic of China (Taiwan), https://english.president.gov.tw/NEWS/6004.

TVBS, 2026, '鄭麗文：將先訪中再訪美，美方會關心我和習近平談了什麼' (Cheng Li-wun: I will visit China before the US; Washington will

be interested in what I discuss with Xi Jinping), 2026, January, (https://news.tvbs.com.tw/politics/3114474).

US Department of Commerce, Office of Public Affairs, 2026, 15 January, Fact Sheet: Restoring American Semiconductor Manufacturing Leadership Through an Agreement on Trade & Investment with Taiwan.

US Department of Defense, 2026, National Defense Strategy of the United States of America.

US Department of State, 2025, 25 October, Secretary of State Marco Rubio Remarks to the Press, En Route to Doha, Qatar.

van der Wees, Gerrit, 2026, 5 January, 'US-Taiwan relations in 2025; It sure was a turbulent year', *Taiwan Insight*.

XHW, 2024, '玩火者必自焚——评台湾地区领导人«5·20»讲话' (The one who plays with fire will burn himself—On the May 20 speech by Taiwan region leader), 2024, 21 May (cn/politics/20240521/b10b9e3676d64d5aa2a9a20d10210cdb/c.html).

XHW, 2025a, '海军福建舰赴南海相关海域开展科研试验和训练任务' (PLA Navy Fujian aircraft carrier sailed to South China Sea in order to conduct scientific research trials and training missions), 2025, 12 September, (https://www.news.cn/politics/20250912/865e694e96314ee2ac26ad854b537e72/c.html).

XHW, 2025b, '«正义使命-2025»演习举行实弹射击，专家：把台岛围个遍，解放军火力网全覆盖' (Justice Mission-2025 conducts live-fire drills. The expert: the island of Taiwan is encircled from every corner, and the PLA's firepower network provides complete coverage), 2025, 30 December, (https://www.news.cn/milpro/20251230/e4f2c32eb65c4a9a90faf2e9b1dcb0b6/c.html).

XHW, 2025c, '东部战区发布军事演习主题海报 «正义之锤 封港断线»' (The PLA's Eastern Theater Command releases a military exercise-themed poster "Hammer of justice – blockade the ports, cut the lines of communication), 2025, 30 December, (https://www.news.cn/politics/20251230/f376d17ce94f4bc6a7d13b162c8e280a/c.html).

Wang, Guan, 2024, 'Support for Taiwan in the US House of Representatives: A New Look at US-China–Taiwan Relations', Journal of East Asian Studies, 24(2), pp. 221-245.

Whelan, Robbie, & Amrith Ramkumar, 2026, 2 February, 'TSMC Plans US Expansion in Proposed Taiwan Tariff-Relief Deal', Wall Street Journal.

White House, 2025, November, National Security Strategy of the United States of America.

Wu, Naiteh, 2005, 'Transition without Justice, or Justice without History: Transitional Justice in Taiwan', Taiwan Journal of Democracy, 1(1), pp. 77-102.

XZY, 2025, '行政命令要點內容' (Key points of the Executive Order) 2025, 2 April (https://twustariff.ey.gov.tw/page/tariff/usa-order/1).

Yang, Shao-Kai, 2025, 3 December, 'Taiwan's Constitutional Grey Hole: The Constitutional Court in Paralysis', VerfBlog.

Yang, Zi, 2025, 14 February, 'Trump's Ukraine Peace Gambit: Consequences for Taiwan's Security', The Diplomat.

Yeh, Hung-Ling, & Ching-Hsuan Su, 2019, 'Never Too Late—The Work of the Transitional Justice Commission in Taiwan', Washington International Law Journal, 28(3), pp. 561-618.

Yeh, Jiunn-rong, and Wen-chen Chang. 2011. 'The Emergence of East Asian Constitutionalism: Features in Comparison'. The American Journal of Comparative Law, 59 (3): 805-839.

Hong Kong 2025: Conditioned continuity under National Security

Than Kiū

Asia Maior – An Italian think tank on Asia
asiamaior@gmail.com

2025 marked the year in which Hong Kong's national security framework was fully operationalized into a new and more stable political-economic equilibrium. Highprofile prosecutions, administrative adjustments and strategic appointments strengthened central oversight and redefined the boundaries of civic space, while economic policy prioritized deeper integration with the Greater Bay Area and accelerated RMB internationalization. The result can be appropriately labelled a «conditioned continuity», where wholesale functions such as RMB clearing, bond markets and professional services remain resilient, while mobile private wealth is selectively reallocated, investor caution rises, and politically sensitive innovation niches face constraints. Social life and civil society continued to be forced to adapt to a narrowed civic space and a more segmented information environment, and migration patterns increase while becoming more targeted to specific destinations. Internationally, the Chinese government is confirming its interest to use Hong Kong both as an economic gateway and a symbolic instrument to advance its interests and narrative abroad, while the US, UK and EU combined seem loosening local political engagement while maintaining the economic and commercial ones.

Keywords – Hong Kong; China; National Security Law; censorship; Greater Bay Area; patriotic education; migration; dissidents.

1. *Introduction*

This article updates Hong Kong's political, economic, social and international trajectories in 2025. Throughout this year, local authorities succeeded in consolidating legal and administrative controls through highprofile prosecutions and regulatory changes, while economic policy accelerated integration with the Greater Bay Area (GBA)[1] and pushed RMB internationalization initiatives. Social life and civil society continued to be forced to adapt

1. The Greater Bay Area (GBA) is a regional development plan linking Hong Kong, Macau and nine cities in Guangdong to create an integrated economic hub that promotes cross-border infrastructure, financial connectivity, technology and industrial cooperation, aiming at aligning Hong Kong more closely with mainland China's economic and policy priorities. The creation of the area was formalized by China's State Council on 18 February 2019 with the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area.

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

to a narrowed civic space, even as routine economic and community activity continued. Hong Kong is currently projecting a stark duality: it remains economically indispensable to mainland and global actors, in a context in which reputational frictions with liberal democracies are growing.

The analysis is articulated in four sections. Section two examines political developments in 2025, with particular attention to the Jimmy Lai trial and the precedents it set for political and business actors. This part also emphasizes new trends in local institutional appointments, legislative and administrative changes, and the judicial dynamics that shaped procedural credibility. Section three analyzes economic developments such as financial market dynamics, property and consumption trends, the startup and innovation ecosystem, and the practical contours of GBA integration, concluding with an assessment of the National Security Law's economic balance sheet five years after enactment. Section four maps social changes in 2025, including demographic and migration patterns, education and identity shifts, public service pressures, and the evolving information environment. Section five addresses Hong Kong's international relations in the year under review, confirming Beijing's use of the city as a diplomatic and economic instrument, and the multiple responses to this trend from Taiwan, the United States, the United Kingdom, ASEAN and Europe. The aim is to show how 2025 consolidated or altered pre-existing trends, weigh short-term tradeoffs facing policy actors, and indicate plausible pathways for Hong Kong's political-economic balance into 2026-27.

2. *Challenging governance in Hong Kong*

2025 consolidated a pattern of legal and administrative centralization in Hong Kong that had accelerated over the previous half-decade. The most visible manifestation was the high-profile prosecution and conviction of media tycoon Jimmy Lai. Lai's trial phase culminated in multiple convictions under national-security and related offences. Combined custodial sentences were handed down in March-April 2025, and courts imposed ancillary restrictions on his civil rights and business interests [SCMP 2025, 12 March; Reuters 2025, 15 March]. Hong Kong officials framed the rulings as the straightforward application of domestic law to protect national security and public order, while PRC media and central authorities presented the outcome as appropriate enforcement of the 2020 national-security framework in an egregious case [Xinhua 2025; Global Times 2025, 14 March]. Western governments, instead, voiced concern about procedural transparency and the broader implications for press freedom and civil liberties. The UK in particular issued statements urging clarity on judicial process and protections for fundamental rights and announced targeted diplomatic measures where appropriate, such as public denunciation of Hong Kong legal practic-

es, targeted visa restrictions and listings of designated individuals or entities [UK Foreign Office 2025].

Legal consequences of this milestone case extended beyond the Lai case, as throughout the year Hong Kong authorities have also systematically advanced administrative adjustments across multiple regulatory domains, revising publicfacing media licence requirements, increasing scrutiny of NGO governance and foreign funding, and issuing expanded guidance for university administration on political education and campus activities [HK Gov 2025; Education Bureau 2025]. Finally, the Lai case carried explicit signalling effects to multiple audiences: for mainland policymakers it evidenced that centralendorsed policies could target any profile in Hong Kong; for local business elites, it underscored the political limits of mediabased dissent and highlighted the prudential value of alignment with the central economic agenda. For this reason, it has become common for several major conglomerates to publicly reaffirm commitments to Greater Bay Area projects and pledge cooperative investments in 2025 [Bloomberg 2025, 20 May; Forbes 2025, 1 August]. For example, Swire Properties advanced its commitments on Taikoo Hui in Guangzhou – a major retail and mixeduse development – as part of a broader GBA strategy, while major developers publicly welcomed fasttrack arrangements for Northern Metropolis/Hung Shui Kiu and signalled readiness to bid on related largescale tenders. Concurrently, wealth managers and family offices pursued a dual strategy: reinforcing Hong Kong platforms to preserve mainland market access while accelerating contingency diversification of overseas assets – responses characterized in the industry press as strategic alignment rather than wholesale exit [SCMP 2025, 25 June].

Throughout 2025, a new pattern affecting personnel turnovers appeared to accompany this legal restructuring, with senior appointments in the civil service, regulatory agencies and public broadcasters tending to favour officials with records of alignment to central priorities or experience in nationalsecurity governance. While authorities argued these appointments restored effective governance and investor confidence after prior turbulence, critics affirm they institutionalized loyalty tests narrowing the space for independent actors in public administration [Bloomberg 2025, 20 May; RTHK 2025]. Complementing these perspectives, interviews conducted by the author with junior Hong Kong officials attending training courses in Europe revealed a more nuanced picture: many younger officials expressed a pragmatic acceptance of the changed political environment and an articulated desire to remain within the system. Their reasoning combined career calculation with the belief that staying engaged offered the only realistic avenue to introduce new ideas and professional practices. This trend should not be considered passive acquiescence, rather a strategic choice that suggests generational values have not been wholly extinguished, even if they are not fully aligned with Beijing's directives. At the same time, it is

important to clarify that this personnel accommodation has been largely administrative rather than political. Politically, institutional reforms in 2025 prioritized ensuring regime control and institutional compliance over plural representation. The electoral and appointment framework continued to privilege vetted candidates in consultative bodies and advisory councils, and Legislative Council (LegCo) procedures were adjusted to prioritize administrative efficiency and policy delivery [LegCo 2025, 17 September]. Supporters argued these reforms restored governability; opponents maintained they narrowed channels for articulating grievances and undercut representative legitimacy [Fung & Chan 2017].

2.1. *Partystate relations, civil liberties, and institutional legitimacy*

2025 significantly reinforced deeper and broader integration between Hong Kong's administrative elite and mainland policy networks. Mainland liaison officials increased visits and formal coordination in the first half of 2025 to advance economic initiatives – notably GBA projects – and governance capacity building [TAO 2025; People's Daily 2025]. Beijing also signalled expectations of closer alignment in public messaging and personnel selection [TAO 2025].

This development triggered a measurable contraction in visible civic space. Press-freedom indices and NGO activity declined as some independent outlets narrowed critical coverage or restructured editorial governance after licence reviews in mid-2025 [RSF 2025; SCMP 2025, 10 September]. Enforcement tools – licence conditions, funding audits, administrative penalties and prosecution risk – significantly raised the practical cost of investigative reporting and public organizing. As a result, largescale public assemblies did not reappear. Smaller, nonpolitical community gatherings persisted in limited districts, but the risk of licence withdrawal, arrest or administrative sanction remained a strong deterrent to mass protest [Amnesty 2025].

Universities were other entities experiencing greater administrative oversight and procedural control in 2025. Institutions tightened governance of publicly funded research and student societies, while high-profile disciplinary cases were increasingly managed internally to avoid public litigation. This internal handling reflected the evolution of institutional risk management, formal government guidance on campus governance, and concerns about funding and accreditation. The first practical consequences of this trend are a chilling of politically sensitive scholarship and activism, with scholars and student groups shifting to lower-risk topics, internal dispute resolution or muted public engagement [HKU 2025; Education Bureau, Hong Kong 2025].

Several cases can be highlighted to describe the pattern. For example, Taipei's Academia Sinica took precautionary steps in 2025 – reportedly advising against certain visiting appointments from Hong Kong and strength-

ening vetting for affiliations – measures framed as operational risk control rather than a challenge to institutional autonomy. The institution reportedly discouraged hosting visiting scholars from Hong Kong in 2025 and tightened affiliation vetting – moves framed as risk control but interpreted by researchers as forms of self-censorship and political hedging. Differently, in Hong Kong, Baptist University (HKBU) is more and more considered an institutional example of rapid alignment with mainland authorities under the new pro-Beijing president Alexander Pingkong Wai [Intelligence Online 2025, 14 March]. Since his promotion in 2021, the university reportedly cancelled politically sensitive exhibitions, strengthened cooperation with mainland scholars, and tolerated more intrusive party-linked oversight on campus. These cases illustrate how both external pressure and internal risk calculus push research and campus activity toward lower-visibility, less politically sensitive modes of engagement.

All these evolutions inevitably influenced migration and mobility patterns. Visa and residency data from Western destinations showed elevated emigration interest among certain professionals and families in 2025. Official Hong Kong statistics recorded modest net population declines, with targeted outflows among politically exposed cohorts partially offset by mainland inflows and selective foreign recruitment aligned with economic priorities [Census & Statistics 2025; UK Home Office 2025].

In this context, it is consistent to notice that public legitimacy in Hong Kong in 2025 remained contested between performance legitimacy – grounded in service delivery, economic stability and visible project delivery – and procedural legitimacy – rooted in institutional openness, rule-of-law perceptions and civil liberties. The government foregrounded short-term performance wins, stressing accelerated GBA projects, housing measures and targeted social programmes as evidence of restored capacity and investor reassurance [HK Gov 2025]. However, although these outputs sustained a baseline of functional legitimacy among constituencies that prioritize stability and economic opportunity, procedural legitimacy was further eroded among civil society, independent media and international observers, who pointed to the narrowing of civic space, frequent use of national-security provisions and constraints on press freedom as sources of reputational cost that undermine Hong Kong's soft power and its attractiveness as a neutral international commercial hub [SCMP 2025, 10 September; RSF 2025].

This procedural deficit produced three linked effects: it fragmented domestic trust as pro-establishment audiences responded to performance signals while critical cohorts disengaged or emigrated; it raised external transaction costs as international firms and investors factored legal and reputational risk into structuring their exposure, increasing compliance burdens and prompting selective diversification; and it accelerated attrition in civic professions – independent journalism, public-interest law and critical

scholarship – thereby weakening institutional checks and balances as well as the social capital underpinning an open commercial ecosystem.

Hong Kong stability in 2026-27 will therefore depend on its confirmed capacity to sustain credible procedural cues – predictable legal processes, transparent administrative practice – and deliver visible, local economic dividends from GBA integration sufficient to offset perceived political risks. Absent those signals, capital, talent and reputational commitments are likely to be gradually rerouted to competing regional centres while domestic grievances shift from visible protest to quieter forms of disengagement or emigration. Key indicators to monitor include judicial transparency and appeal outcomes in high-profile cases, tangible job and investment flows from GBA projects, sectoral talent retention and migration patterns, movements in press-freedom and civic-space indices, and observable changes in international corporate behaviour such as listing decisions and family-office relocations. The interaction of these variables will determine whether 2025's constrained continuity hardens into managed integration or slips into longer-term functional erosion.

3. *Economic and financial trends in 2025: capital flows, competition and regulation*

According to basic economic parameters, Hong Kong's economy in 2025 showed conditional resilience rather than broad-based expansion: core wholesale operations – sovereign and corporate bond issuance, trade-finance facilities, RMB/CNH clearing and cross-border banking intermediation – remained active and sustained institutional intermediation even as headline performance varied across sectors [HKEx 2025a; PBoC 2025]. GDP growth and labour indicators were moderate (3.5% GDP growth, accompanied by 2.5% inflation and 3.1% unemployment rate) but masked a clear sectoral divergence: financial and professional services and GBA-linked projects retained dynamism and demand for high-skill labour, while consumer-facing sectors lagged and property affordability continued to pose major social stress. A portion of discretionary private wealth and mobile equity listings showed greater selectivity, with some family offices and high-net-worth clients reallocating parts of their portfolios or establishing parallel structures in competing hubs such as Singapore, even as many institutional investors and sovereign funds maintained Hong Kong exposure to preserve mainland market access and RMB opportunities [Bloomberg 2025, 20 May; Forbes 2025, 1 August].

Local regulators in 2025 sought to balance tightened oversight with continued market openness: authorities clarified listing eligibility and reporting standards and issued supervisory guidance for fintech and crypto aimed at investor protection, while on-shoring certain functions and expanding

cross-border supervisory arrangements under the GBA framework (MoUs, information-sharing and joint supervisory work) that altered the architecture of intermediation without fully closing capital mobility [HKMA 2025].

Policy support for RMB internationalization also intensified, with Hong Kong promoted as a pivotal clearing and market-making hub and with quota and programme innovations designed to channel inbound foreign capital into mainland bond and equity markets while facilitating outbound institutional investment via Hong Kong [PBoC 2025; HKMA 2025].

The property sector, instead, remained a central fault line: the 2025 housing package signalled intent through streamlined land releases tied to GBA infrastructure and incentives for affordable units, but implementation was partial by year-end, with faster planning approvals reported while construction starts and completions lagged, making visible delivery a key political credibility test [HK Gov 2025].

Consumption recovered unevenly as tourism rebounded on mainland leisure travel and regional events but international inbound and high-spending foreign business travel stayed below pre-2019 levels, prompting retailers and hospitality firms to reorient marketing, product mixes and digital sales channels toward mainland customers – a strategy that supported near-term revenues but increased sensitivity to mainland demand cycles and left local consumer confidence vulnerable to political and housing-market news [HK Tourism Board 2025].

As a consequence, labour markets confirmed a deepening bifurcation already highlighted in 2024: skilled sectors faced tightening and wage pressure, a trend that encouraged targeted recruitment of foreign and mainland talent where permissible, while sectors tied to local consumption and tourism experienced slower improvement and pockets of underemployment. Local policy responses to these evolutions included expanded vocational training, targeted hiring subsidies and pilot cross-border mobility schemes to shift labour into GBA-adjacent, higher-value clusters, though the scale and speed of re-skilling and integration remained constrained [Census & Statistics 2025; HK Labour 2025].

Overall Hong Kong preserved critical wholesale financial functions and strengthened some GBA-linked opportunities, but its resilience seems conditional, as maintaining a comparative advantage will depend on demonstrable regulatory predictability, transparent legal procedures in high-profile cases, and timely, tangible delivery of GBA benefits that produce visible jobs and commercial gains to offset reputational and sectoral vulnerabilities.

3.1. *Tech and innovation race in a PRC constraint environment*

In 2025 the city's startup ecosystem was recalibrated pragmatically, aiming at passing the consistent message that innovation is meant to become Hong Kong's economic anchor. Public funding and incubator programmes con-

tinued, but investor appetite was cautious for ventures seen as politically sensitive or civicoriented. Most investor interest concentrated in fintech, green tech and supplychain digitalization, that is all sectors where alignment with GBA infrastructure can deliver market scale and faster commercialization ['Hong Kong: Asia's Most Vibrant' 2025; CSIS 2025]. Civictech and socialplatform ventures faced persistent fundraising and operational frictions, while venture capital syndication with mainland investors rose in 2025, improving market access while still raising governance concerns over IP protection and exit options for nonmainland backers [Bloomberg 2025, 20 May].

Policymakers prioritized supporting exportable, high-value technology while tightening compliance and data-governance standards to reassure domestic regulators and international partners. In practice, this meant directing public R&D grants and incubator support toward fintech, green tech and supply-chain digitalization; creating tailored financing and listing pathways for scale-ups; strengthening IP protections and contractual safeguards for cross-border partnerships; and clarifying rules on data storage, cross-border transfers and privacy compliance so that foreign investors and partners face predictable legal and operational conditions.[2]

If innovation is to become Hong Kong's central economic thrust, it can follow two complementary tracks: progressive integration with the GBA; and improved functioning of Hong Kong's finance ecosystem.

The first track leverages Hong Kong's comparative strengths – deep capital markets, specialist professional services, ruleoflaw reputation and international connectivity – to scale R&D commercialization and firm growth through coordinated crossborder value chains. In practice, this means GBA pilot clusters for green manufacturing and logistics, crossborder incubators linked to Shenzhen and Guangzhou, and expanded mobility schemes for specialist talent that ease shortterm labour fluidity while addressing localization concerns [GBA Office 2025; HK Gov 2025]. Banks and market infrastructure also actively supported the integration path throughout 2025, with multiple crossborder tradefinance platforms implementing new strategies to reduce transaction costs for crossborder supply chains and for Hong Kong firms accessing mainland markets [PBoC 2025; HKMA 2025].

2. Some examples of these public R&D grants and incubator support are the Innovation and Technology Fund (ITF) with enterprise support and publicsector trial schemes; Hong Kong Science & Technology Parks incubation and matching programmes (IncuTech, IncuApp, IncuBio, Corporate Venture Fund); Cyberport initiatives (Incubation Programme, Cyberport Macro Fund, Accelerator Support Programme); research funds (General Research Fund, Research Matching Fund); and regional/municipal GBA schemes (Guangdong provincial/municipal science & technology grants, Shenzhen Innovation and Technology Fund) offering cofunding, incubation space and tailored financing pathways for scaleups.

The second track strengthens Hong Kong's domestic financial plumbing to better serve innovation by creating clearer, investor-friendly funding and exit pathways for high-growth firms. Concretely, this entails regulatory and market measures such as tailored listing channels and disclosure regimes for growth companies (including reforms to GEM/innovation listing rules and clearer guidance on dual-class share structures and permitted confidentiality in sensitive cases), enhanced minority-protection safeguards to reassure foreign investors where appropriate [HKEx 2025a]. This track also requires expansion of the non-dilutive financing ecosystem, such as deeper venture-debt markets, growth-equity products, and revenue-based financing, and targeted public-private instruments that mobilize institutional capital (pension funds, sovereign vehicles, and insurance pools) into venture and scale-up financing through matching funds, co-investment platforms or tax incentives for R&D and VC allocations [HKMA 2025].

Honk Kong financial patterns have highlighted substantial activism on several of these fronts in 2025. For example, listing rule clarifications aimed at shortening time-to-market for tech IPOs, supervisory guidance on fintech and custody services to lower operational frictions were issued by the Hong Kong government, and the publication of discussion papers on facilitating cross-border fund structures to enable greater participation by foreign institutional investors in Hong Kong-domiciled VC and growth funds was encouraged [HKEx 2025b; HKMA 2025]. Public innovation platforms such as the Hong Kong Science Park and Cyberport also continued to fund incubator programmes, corporate partnership pipelines and accelerator funding that bridge R&D and commercialization, offering venues where improved market plumbing and GBA market access can jointly scale firms for regional expansion [CSIS 2025].

Despite being mutually reinforcing, these two tracks are also extremely fragile. On the one hand, GBA integration reduces market fragmentation and gives scale but raises IP and governance concerns for foreign investors that need transparent legal protections and routinized crossborder dispute mechanisms. On the other hand, better financial functioning improves funding and exit options but depends on predictable regulatory signals and investor protections that can withstand political sensitivities. If both tracks proceed, Hong Kong can certainly broaden its role as a regional innovation node, with startups gaining market access and capital, institutional and familyoffice investors regaining confidence, and job growth concentrating again in highvalue clusters. If either track falters, innovation will tilt toward mainland platforms or competing regional hubs, and Hong Kong's innovation niche will narrow to lowerrisk or wholesale intermediation activities.

By 2025, Hong Kong's innovation prospects remain at best conditional. The city preserved institutional strengths that matter for scaling innovation, such as deep capital markets, specialist professional services and international legal links, but political and reputational frictions raised bar-

riers for certain classes of investors and founders. It is consistent to argue that if regulatory signals remain predictable and GBA deliverables materialize, Hong Kong is likely to maintain a resilient commercial hub with managed integration. Indeed, it is expected that if capital mobility remains solid, investors might decide to prioritize mainland access via Hong Kong, and employment growth would concentrate in finance, professional services and highvalue tech clusters. Conversely, if regulatory opacity increases, procedural enforcement is perceived as arbitrary, or international punitive measures escalate, Hong Kong would likely see a gradual narrowing of transactional activities. In this scenario, while core wholesale functions such as RMB clearing and bond markets may persist, marginal wealthmanagement, mobile private banking and consumerfacing services will inevitably progressively to either regional or international competitors.

At the same time, it is not possible to neglect the fact that maintaining Hong Kong's role as major conduit for cross-border payments, corporate services and trade facilitation is also a resource used to keep it as a transit point within opaque supply, shipping and payment chains used to move sanctioned Russian and Iranian oil, route dualuse technologies to Russia, or launder proceeds linked to North Korean statesponsored activity [U.S.-China Economic and Security Review Commission 2025, 14 November].

This exposure raises reputational and regulatory risks for firms and investors engaged in GBA integration: heightened compliance costs, greater due diligence requirements from global partners, and the prospect of secondary sanctions or increased scrutiny that could deter certain types of capital and partnerships. Policymakers and market intermediaries therefore face a dual task – preserving Hong Kong's competitive service advantages for scaling innovation while strengthening antimoney laundering, combating the financing of terrorism, export-control screening and transparency measures so that deeper GBA links and capital flows do not amplify sanctions-evasion pathways or prompt costly international countermeasures.

Five years after the National Security Law's enactment, the economic balance sheet remains mixed. The Law and the political shifts associated with it have introduced structural frictions that are unlikely to be fully resolved in the short or medium term, and which will continue to shape firms' and investors' strategic calculations. Added to regulatory and political uncertainty are reputational and sanctions-related risks stemming from Hong Kong's role in cross-border trade and finance, which could raise compliance costs and deter certain types of capital. As a result, the prospect of an innovation-led Hong Kong should be approached with cautious realism rather than unreserved optimism. Monitoring into 2026-27 should therefore focus on a small set of indicators: GBA project milestones, innovation-sector financing and listing volumes, venture-capital syndication patterns (domestic versus mainland), and measurable changes in governance safeguards that affect foreign investors' confidence. If these indicators trend positively,

Hong Kong can convert 2025's conditional resilience into sustainable, innovation-driven growth. If not, its role is likely to narrow toward wholesale financial intermediation while higher-risk, high-growth innovation migrates to alternative regional hubs.

4. *A never-ending social restructuring: from demographic trends to identity survival*

The social changes recorded in 2025 do not indicate a radical rupture in Hong Kong. On the contrary, they show continuity with structural adaptations. The 2025 demographic profile reflected the interaction of long-term ageing pressures with selective, politically sensitive migration. Official statistics recorded modest net population declines relative to pre-2020 baselines rather than a mass exodus: departures were concentrated among mobile professionals, politically exposed persons and families seeking greater long-term security abroad, while targeted mainland inflows and foreign-talent programmes partially offset losses [Census & Statistics 2025; UK Home Office 2025]. Many professionals adopted hedging strategies – retaining Hong Kong residences and business ties while pursuing residency options in Singapore, the UK, Canada or Australia, an approach which is preserving critical human capital for finance and professional services in the city but which is also increasing fragility in civic-facing professions such as independent journalism, public-interest law, welfare and consulting [Forbes 2025, 1 August; HRW 2025].

These demographic shifts produced concrete welfare and public-service effects. Housing remained the most acute social pressure and a key test of government credibility. For example, the 2025 housing package aimed to accelerate supply through streamlined land releases tied to GBA infrastructure and to deliver targeted subsidies, but implementation gaps meant visible completions lagged initial promises, keeping affordability and intergenerational housing anxiety high [HK Gov 2025]. At the same time, an ageing population raised demand for healthcare and eldercare. The government prioritized capacity expansion for chronic and long-term care in 2025, while also exploring GBA-oriented solutions – such as pilot arrangements allowing Hong Kong subsidized patients to receive non-emergency consultations or routine follow-ups with designated Guangdong medical providers, to ease short-term pressures. Staffing shortages and resource constraints, however, limited the speed at which such cross-border arrangements could be scaled and embedded in service pathways.

As far as everyday civic life is concerned, it seems more precise to talk about a progressive adjustment that continued throughout 2025 rather than about collapse. Community organizations, neighbourhood volunteer groups and low-visibility cultural activities continued to deliver services

and social cohesion. Examples in 2025 included expanded district-level eldercare volunteer networks, community food-assistance partnerships, and small-scale arts projects that staged privately curated exhibitions or film screenings on recent social themes in local cultural centres. High-visibility political activism remained rare, and memory politics shifted into subdued forms – private oral-history projects, small community memorials and low-profile cultural productions that navigated official sensitivities while preserving contested recollections of 2019-21 events [Amnesty 2025; SCMP 2025, 10 September]. These quieter practices seem to be sustaining civic bonds without provoking large public confrontations, but they remain very limited and broadly perceived as too risky to continue to be systematically endorsed.

However, it is important to highlight that this apparent consistency masks deeper and potentially consequential shifts that may shape the new generation's life chances. In particular, changes in educational choices, daily socialization practices, and the restructuring of the information environment are jointly remapping both opportunities and constraints facing young people.

To further clarify this point, it is important to highlight that in 2025 education policy and debates over identity drew intensified administrative attention and became a key site where broader political and social shifts were made concrete. The Education Bureau continued issuing updated guidance reinforcing curriculum elements that emphasize national identity and civic responsibilities, and universities operated under heightened expectations for «patriotic» campus governance [Education Bureau, Hong Kong 2025; HKU 2025]. Hong Kong government narrative presented these moves as restoring social cohesion and aligning civic education with the city's economic integration goals.

From the government's perspective, clearer curricular priorities and stronger institutional oversight help reduce campus disruption, protect students and preserve Hong Kong's attractiveness to mainland employers and investors. However, the concrete effects of these moves have been complex and varied. First, curricular emphasis and administrative oversight prompted schools and universities to tighten extracurricular programming and student-society governance to limit institutional risk. The result was a decline in large-scale campus political organizing and a shift of student activity into lower-visibility or compliance-friendly formats [HKU 2025; RTHK 2025]. Second, language and skills policy remained pluralistic but pragmatically reoriented: while Cantonese stayed the everyday *lingua franca* and English retained professional and legal centrality, Mandarin continued to gain ground in institutional settings and GBA-oriented training programmes. As a consequence, young Hong Kong people have been forced to increasingly factor Mandarin competence into career planning, reflecting a pragmatic although not necessarily welcome adaptation to re-

gional labour markets [HK Census 2025]. Third, research and scholarly practice shifted inward in topics and partnerships: politically sensitive lines of inquiry contracted, while applied work linked to technology, health and green priorities expanded under public funding channels and institutional support [HKU 2025].

International reactions to these new practices, although they have already been observed in previous years at smaller scale, triggered new tensions and frictions. European governments and academic communities publicly expressed concern about implications for academic freedom and the autonomy of universities [CEIAS China-Europe Academic Engagement Tracker]. European diplomats and research funders privately sought assurances about collaboration safeguards and intellectual-property protections, with more funders demanding to tighten due diligence on joint projects as well as clearer contractual protections for foreign partners [CEIAS Papers 2025, 17 June]. These responses seem to be confirming the consolidation of a dual European posture, oriented at continuing pragmatic economic engagement coupled with guarded institutional scrutiny and calibrated warnings about academic and civic freedoms. These warnings remain measured rather than accusatory and are unlikely, on their own, to prompt a significant change of attitude even if the space for debate, research and free information continues to shrink.

The information environment reflected parallel segmentation. Licence reviews and scrutiny of foreign NGO funding prompted several independent outlets to restructure editorial governance or narrow investigative beats; some publishers put contingency plans in place, including partial relocation of editorial functions or reader-funding models [RSF 2025; SCMP 2025, 10 September]. Social media and private messaging sustained spaces for discussion, but moderation practices, legal risk and self-censorship made public discourse more cautious and fragmented. Trust in institutions became differentiated: pro-establishment audiences reported stable or improved confidence as performance claims were emphasized, while politically critical constituencies registered erosion of trust, particularly where prosecutions or disciplinary cases affected civil actors. Overall social trust did not collapse, but it did become segmented across different information ecologies and social networks.

In sum, the post2025 education and media landscape combined official claims of restored order and practical adaptation with quieter but consequential shifts in research agendas, student life and crossborder scholarly links. Curricular and governance changes are redirecting institutional incentives away from contentious civic inquiry toward applied, fundable topics. Student organizations and extracurricular life are becoming more riskaware and often less publicly visible, and international academic exchange is reconfigured by heightened vetting and contractual safeguards. These shifts matter because they change how young people acquire skills,

form civic dispositions and build professional networks: over time, emphasis on technical and GBAoriented competencies may boost employability in certain sectors but narrow exposure to critical inquiry and pluralistic debate. That combination will inevitably affect Hong Kong's innovation capacity, the diversity of its public sphere, and the credibility of its universities as global partners – factors that might shape both domestic social cohesion and how foreign funders, employers and research partners assess concrete engagement with the city.

5. *An updated assessment of Hong Kong international image*

Throughout 2025, Hong Kong and Beijing have continued to align their respective narratives to present the city as a showcase of successful integration: authorities emphasized restored order, the delivery of GBA projects, and enhanced capacity to serve national development priorities, arguing that these developments reinforced Hong Kong's economic utility and internal stability. Indeed, throughout 2025 Beijing continued to treat Hong Kong as a calibrated external tool of its foreign policy, combining economic utility with normative signalling. For this reason, official rhetoric and state media framed Hong Kong's legal and administrative alignment as necessary to restore order and to enhance the city's capacity to serve national priorities such as GBA integration and RMB internationalization [People's Daily 2025; Xinhua 2025], with central liaison offices and ministries increasing formal coordination with Hong Kong bodies to align messaging on economic cooperation and regulatory interoperability [TAO 2025; GBA Office 2025].

Yet, external perceptions of Beijing's narrative remained mixed and varied by region. Cross-Strait uses of Hong Kong in 2025 were largely symbolic and tightly managed: Beijing staged economic forums, cultural exchanges and GBA-branded project launches in the city aimed at Taiwanese audiences, deliberately framing these events as demonstrations of the material benefits of integration while avoiding political dialogue [People's Daily 2025; Xinhua 2025]. The result was more promotional theatre than substantive rapprochement: Hong Kong's practical engagement with Taiwan contracted, in part because Beijing preferred tightly controlled, top-down messaging rather than a broader restructuring of institutional ties that might open unpredictable political channels between Hong Kong and Taiwan. Consequently, while Beijing could point to Hong Kong as a showcase in its official narrative, the city did not emerge as a convincing bridge for many in Taiwan.

Indeed, Taipei's reaction to this evolution remained cautious and largely sceptical. Taiwanese policymakers and public commentators continued to cite Hong Kong as a warning case in debates on resilience and secu-

rity legislation, arguing that institutional erosion – real or perceived – could have long-term consequences for civic space and democratic freedoms [Intelligence Online 2025, 21 January]. In practice, Taiwan has further strengthened an already existing dynamic aimed at treating Hong Kong less as a bridge for rapprochement and more as an illustrative counterexample that shaped domestic law-making, vetting of cross-border academic and commercial links, and public attitudes toward engagement with the mainland. The net effect of this double vision is that Beijing's Hong Kong-focused outreach produced limited persuasive impact in Taiwan: promotional events reinforced Beijing's narrative for some audiences, but they did little to change broader Taiwanese scepticism about the political implications of closer integration.

Southeast Asian responses were more transactional, with ASEAN capitals determined at treating Hong Kong primarily as an economic partner and avoid strong public statements on Hong Kong's governance while systematically adopting cautious diplomatic language. As a consequence, trade, investment facilitation and tourism ties recovered in 2025, with commercial engagement focusing on logistics, finance and professional services [ASEAN Secretariat 2025; HK Trade 2025].

Western responses combined normative signalling with preservation of economic channels, producing a bifurcated external environment. Washington and London pursued calibrated measures in 2025. Although implementing targeted sanctions and visa restrictions for specific individuals and entities deemed responsible for rights infringements and stepping-up export or transfer controls in sensitive areas, and diplomatic démarches urging legal transparency, both countries avoided blanket economic decoupling from Hong Kong markets in order to limit collateral damage to global finance [US State Department 2025; UK Foreign Office 2025; US Treasury 2025; UK Home Office 2025].

The EU and many European states also adopted a similar posture: continued commercial engagement by businesses coupled with normative statements on rule-of-law and human rights. European institutions and some national governments increased due diligence and contemplated targeted measures against implicated individuals, favouring targeted over broad sanctions to minimize unintended economic fallout [Goreichy et al., 2025]. From a more practical perspective, these targeted measures raised operational and legal burdens for banks, lawyers and other service providers. Indeed, foreign firms had to expand compliance teams, run more intensive sanctions-screening, tighten client onboarding, impose contractual warranties, and reconfigure products or counterparties to avoid exposure – all of which increased transaction costs and slowed deal timetables. In some cases, banks and intermediaries «de-risked» by narrowing services for certain clients or sectors, reducing availability of bespoke wealth, trust and sanction-sensitive products [US Treasury 2025; UK Foreign Office 2025].

6. *Conclusion*

Throughout 2025, Hong Kong seemed to be continuing to navigate a narrow strategic corridor between Beijing's integration imperatives, its own civil society and external actors' normative pressures. Its outward posture stayed pragmatic and largely transactional, with economic diplomacy, legal-technical engagement, and targeted outreach to business communities predominating, but internal real integration and satisfaction together with high-visibility political engagement with Western capitals remained limited.

In this context, comparing the current evolution of Hong Kong internal equilibrium with the dynamics that have characterized the city during previous years, it is consistent to confirm that, overall, Hong Kong in 2025 exemplified constrained continuity, with core economic functions persisting even as legal and administrative consolidation narrowed civic space and reoriented elite incentives.

Three conclusive observations follow. First, the short-term stability Hong Kong enjoyed in 2025 rested on two mutually reinforcing signals: predictable, procedurally credible legal and regulatory behaviour in high-profile cases; and visible, local economic gains tied to GBA projects. When courts and regulators are seen to follow consistent processes, investors and the public are less likely to view enforcement as arbitrary or politically driven. When that procedural steadiness is paired with tangible deliverables, such as completed infrastructure, new cross-border contracts, and measurable job creation, it produces confidence among businesses and households. Loss of either signal would quickly raise uncertainty, undercutting the fragile equilibrium that sustained stability in 2025.

Second, Hong Kong's principal vulnerability is perceptual: the city's future hinges more on how enforcement and policy delivery are seen than on abstract legal doctrines. If enforcement in prominent cases comes to appear selective or unpredictable, or if promised economic benefits fail to materialize, market actors and mobile individuals will reprice risk. That repricing can trigger two reinforcing dynamics: deeper political polarization at home, as citizens lose faith in institutional fairness; and economic rerouting abroad, as family offices, start-ups and skilled professionals shift activities to jurisdictions perceived as more predictable. Over time these perception-driven shifts can alter Hong Kong's economic composition, leaving it with wholesale financial plumbing but thinner layers of entrepreneurial finance, mobile wealth services and talent-intensive innovation.

Third, Hong Kong's significance is both functional and symbolic. Functionally it remains a crucial conduit for capital, professional services and RMB-linked flows into and out of the mainland; symbolically it operates as a test case of Beijing's model for integrating a global financial centre under tighter political control. Because of that dual role, developments in Hong Kong have outsized international effects. Evidence that market access and

legal processes remain reliable reassures global investors and preserves engagement with China, while signs that procedural credibility is eroding feed broader doubts about governance and increase the costs of commercial ties.

Bibliography

Amnesty International, 2025, 'Hong Kong 2025: civic space under tightened controls'.

ASEAN Secretariat, 2025, Trade and economic cooperation reports.

Bloomberg News, 2025, 20 May, 'Tycoons recalibrate Hong Kong exposure following legal climate in 2025'.

CEIAS China-Europe Academic Engagement Tracker, (https://academytracker.ceias.eu/map/eu).

CEIAS Papers, 2025, 17 June, 'France: An uneven awakening to the risks posed by China in academic cooperation'.

Census & Statistics, 2025, Annual population and migration summary 2025, Census & Statistics Department (Hong Kong)

CSIS, 2025, Hong Kong startup and innovation overview, 2025.

Education Bureau, Hong Kong, 2025, Guidance on university governance and national education measures, 2025.

Financial Times (FT), 2025, 5 April, 'Mainland liaison intensifies coordination with Hong Kong in 2025'.

Forbes, 2025, 1 August, 'Hong Kong wealth managers diversify portfolios after 2025 legal rulings'.

Fung, Anthony Y. H., & Chi Kit Chan, 2017, 'Post-handover identity: contested cultural bonding between China and Hong Kong', *Chinese Journal of Communication*, 10(4), pp. 395-412.

GBA Office, 2025, Greater Bay Area project releases and cooperation notes.

Global Times, 2025, 14 March, editorial on enforcement of national security in Hong Kong.

HKEx (Hong Kong Exchanges and Clearing Limited), 2025a, Listings and IPO market data 2025.

HKEx (Hong Kong Exchanges and Clearing Limited), 2025b, Annual Report, 20 June 2025

HK Gov, 2025, Press Release, 'Policy measures for 2025: housing, economy and governance'.

HKMA (HK Monetary Authority), 2025, 3 February, Briefing to the Legislative Council Panel on Financial Affairs.

HK Tourism Board, 2025, Tourism recovery reports 2025.

HKU (Hong Kong University), 2025, Statements on campus governance and research policies.

Hong Kong Labour Department, 2025, Labour market summaries 2025.

Human Rights Watch, 2025, Report on rights developments in Hong Kong, 2025.

ICG (International Crisis Group), 2025, Policy brief on Hong Kong stability and external responses.

Intelligence Online 2025a, 21 January, 'Academia Sinica pressured to discard applications from Hong Kong researchers'.
Intelligence Online, 2025b, 14 March, 'Hong Kong's Baptist University turned into CCP standard-bearer'.
LegCo, 2025, 17 September, *The Chief Executive's 2025 Policy Address*.
Esther Goreichy, Grzegorz Stec and Abigael Vasselier, 2025, 29 October, 'Profiling European countries' resilience towards China - 2025 Update', MERICS.
PBoC (People's Bank of China), 2025, RMB internationalisation implementation notes.
People's Daily, 2025, Commentary on Hong Kong's role in national development.
Reuters, 2025, 15 March, 'Hong Kong court hands combined sentences in highprofile national security cases'.
RSF (Reporters Without Borders), 2025, Press freedom report on Hong Kong.
RTHK, 2025, Reports on media regulation and social response.
SCMP (South China Morning Post), 2025, 12 March, 'Jimmy Lai sentenced after security convictions'.
SCMP (South China Morning Post), 2025, 25 June, 'Business leaders pledge Greater Bay Area investments amid policy shifts'.
SCMP (South China Morning Post), 2025, 10 September, 'Journalists and outlets adjust coverage after licensing reviews'.
TAO (Taiwan Affairs Office), 2025, Coordination notes and visits to Hong Kong.
UK Home Office, 2025, Visa trends and applications from Hong Kong residents, 2025.
UK Foreign Office, 2025, Statements on Hong Kong policy.
U.S.-China Economic and Security Review Commission, 2025, 14 November, 'China's Facilitation of Sanctions and Export Control Evasion'.
US State Department, 2025, Statements on Hong Kong and visa/sanctions measures.
US Treasury, 2025, Targeted measures and guidance related to Hong Kong individuals/entities.
'Hong Kong: Asia's Most Vibrant Startup Ecosystem', *HK Invest 2025*.
Xinhua News Agency, 2025, Coverage of national security case outcomes in Hong Kong.

The Philippines 2024-2025: Feuding families, weak institutions, and the limits of Philippine democracy

Enrico Gloria

University of Philippines Diliman
evgloria@up.edu.ph

The past two years marked a decisive turning point in Philippine politics, as the «UniTeam» alliance between President Ferdinand Marcos Jr. and Vice President Sara Duterte unravelled and exposed two enduring features of the country's political order: the centrality of elite family politics and the persistent embeddedness of corruption within the state and bureaucracy. What had appeared in 2022 to be an electorally dominant and politically advantageous coalition quickly gave way to impeachment battles, corruption exposés, and increasingly public elite infighting. Far from being a merely personal or episodic split, the rupture revealed the structural fragility of coalition rule in a political system where parties remain weak and accountability is often subordinated to political manoeuvring. The political realities carried significant consequences for the country's economic and foreign policy prospects as well. Corruption scandals weakened public trust and constrained development spending, underscoring how institutional weakness impedes inclusive growth. Political rivalries on the other hand intensified extreme foreign policy positions vis-à-vis Beijing and Washington at the expense of a more sustainable foreign policy logic. Taken together, developments over these two years suggest that Philippine politics remains deeply constrained by elite rivalry and weak institutions, with immediate consequences for the Marcos administration's legacy and lasting implications for the capacity of Philippine democracy to deliver good governance.

Keywords – Philippines, Marcos Jr., Duterte, democratic elections.

1. *Introduction*

The years 2024 and 2025 marked a decisive turning point in Philippine politics with the unravelling of the governing coalition that had underpinned President Ferdinand Marcos Jr.'s administration since he assumed office in 2022. As the defining political development of this period, it exposed deep institutional vulnerabilities and intensified political polarization across the country. Now at the midpoint of the Marcos presidency, current developments underscore how Philippine politics remains largely shaped by two enduring features: the centrality of powerful political families and the persistent embeddedness of corruption within the state and bureaucracy, both of which have proven difficult to arrest despite repeated reformist efforts. Yet while these themes are hardly new, their interaction during 2024-2025

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

took on a particularly revealing form, offering an opportunity to reassess the dynamics of political power, elite competition, and accountability in the Philippines from a fresh perspective.

The fracturing of the «UniTeam» alliance between President Marcos and Vice President Sara Duterte – an arrangement that united two of the country's most dominant political families, each with well-entrenched and geographically distinct support bases in the northern and southern Philippines – stands out as one of the most high-profile elite ruptures in recent Philippine political history. This is not only because of the coalition's decisive electoral strength in 2022, but also because of the expectations it generated regarding regime stability and leadership continuity. While 2024 set the stage for this breakdown through corruption allegations, governance controversies, and intensifying elite infighting, 2025 laid bare its political consequences. The midterm elections revealed growing public dissatisfaction with the Marcos administration without eroding Duterte's enduring support base, while successive corruption scandals and the arrest of former President Rodrigo Duterte by the International Criminal Court (ICC) further intensified debates over accountability, executive authority, and the rule of law. Taken together, these developments raise a broader question that goes beyond personal rivalries or episodic crises: why did an alliance that appeared electorally dominant and politically advantageous in 2022 collapse so quickly, and what does this reveal about the structural limits of coalition governance in the Philippines?

Closely intertwined with this elite rupture was the growing salience of the Philippines' position vis-à-vis major powers, as the Marcos administration moved toward a more confrontational stance on China amid ongoing maritime disputes. With the two political families advancing sharply divergent foreign policy positions, developments over the past two years illustrate how intra-elite competition, compounded by weak institutional constraints, has shaped the direction of Philippine foreign policy. At the same time, the administration's subsequent recalibrations underscore the country's continued susceptibility to shifts in major power dynamics, even in the face of broad public support for a more assertive approach toward China.

Indeed, the high-stakes rupture between the country's two most powerful political families not only defined developments over the past two years, but also laid bare the limits of Philippine democracy in delivering the promise of good governance, accountability and development. For one, the credibility of both camps has come under increasing strain, as each has been implicated in high-profile corruption controversies. At the same time, weak institutional safeguards have allowed the continued misuse of public funds and other illicit practices to persist, eroding public trust in government and confidence in the country's economic prospects. And as the results of the 2025 midterm elections have shown, there is growing public dissatisfaction with both political camps – being the leading choices in the 2028 national

elections – and their ability to provide effective governance amid mounting domestic and external challenges. The following sections examine how these dynamics have shaped the trajectory of Philippine domestic politics and the economy, as well as the foreign policy choices pursued over the past two years.

2. *Domestic Politics*

2.1. *2024 Efforts on Constitutional Amendments*

In February 2024, the leadership of the House of Representatives, the lower branch of the Philippine congress, filed Resolution of Both Houses No. 7 to amend selected economic provisions of the 1987 Constitution through the national congress acting as a constituent assembly. The move was framed as a means of promoting economic liberalization and expanding foreign participation in key sectors of the Philippine economy, specifically in public utilities, educational institutions, and the advertising industry. Indeed, Charter Change (or «Cha-Cha», as it is locally referred to) has remained a recurring yet contentious agenda across successive administrations since the ratification of the 1987 Constitution. Most proposals in the past centred on shifting to a parliamentary or federal system, in tandem with the goal of advancing greater economic liberalization which is what the latest proposal has purely emphasized. While the 2024 initiative came closest to materializing, it ultimately faltered amid persistent public scepticism, lingering legal ambiguities surrounding the congressional process, and a widespread perception that the proposed amendments were unnecessary and a means to eventually introduce changes to the constitutional system [Tamase 2024, 29 April]. Collectively, these factors prevented the emergence of a strong political momentum needed to carry the effort to historic completion.

In particular, efforts to amend the Constitution through a people's initiative became mired in allegations of bribery and collusion involving sitting members of the House of Representatives, with critics pointing to the perceived backing of Speaker Martin Romualdez and his political network [Senate of the Philippines 2024, 28 January]. Because the initiative was widely seen as a means of sidestepping the 24-member Senate (upper house) in the amendment process, it deepened institutional tensions between the two chambers, eroding trust and further complicating prospects for a successful Cha-Cha. Romualdez's efforts, as a close ally and the cousin of President Marcos Jr., represented the administration's active push to advance constitutional reform. At the same time, these moves fuelled speculation that proposals to shift toward a parliamentary system could be introduced, potentially positioning Romualdez for a future role as prime minister and, in the process, altering the succession landscape to the disadvantage of Vice President Sara Duterte, who is widely viewed as a leading

contender for the presidency after Marcos Jr. These dynamics gradually placed the two previously allied families on opposing sides, showing one of the earliest signs of the emerging rift between the Marcos and Duterte camps. Ultimately, the failure of the 2024 efforts to charter change is consistent with the observation that «competitive-clientelist dynamics among oligarchic families serve as a countervailing force» in allowing any change to the constitution, thus still making the Philippine 1987 charter one of the most enduring constitutions in the world pure of any amendments since its ratification [Bonoan & Dressel 2026].

2.2. *Unravelling of the 'UniTeam'*

In June 2024, the Vice President announced her resignation as Secretary of Education and as a member of the administration's cabinet, a post she had held since her appointment by President Marcos following their landslide victory in 2022. While Duterte did not initially provide a formal explanation for her resignation, she later suggested that the decision was tied to her deteriorating personal relationship with the president stemming from prior understandings reached when they agreed to run as a tandem in the 2022 national elections [Chi 2024, 18 July]. Ultimately, this move proved pivotal, as it marked Duterte's «final breakaway from the *UniTeam* alliance», while also laying bare the political and electoral motivations underlying earlier moves to join forces by the ruling majority [Chi 2024, 18 July].

The rupture became even more pronounced in August 2024, when the House of Representatives decided to slash the 2025 proposed budget for the Office of the Vice President (OVP) from Php 2.037 billion to Php 733 million – an unusual move given the parliamentary courtesy typically extended to the country's second-highest official during budget proceedings. The decision was reached as the lower house's supermajority, sanctioned by the House leadership under Speaker Romualdez, subjected the OVP to more stringent scrutiny and questioning in light of state auditors pointing out serious discrepancies in how the Vice President handled confidential funds granted to her office in 2022 [De Leon 2024, 11 December]. For her part, Duterte maintained that the budget deliberations were intended to place her, her office, and ultimately her political standing under pressure in a bid to undermine what is framed as a key political threat to the President [Sarao 2024, 4 September].

Beyond the budget deliberations, allegations of corruption within the OVP prompted Congress to launch a series of investigations into its budget utilization in previous years, further illustrating how an alliance forged out of electoral convenience rapidly unravelled into a highly public and closely scrutinized political split. In one of the most sensational episodes of this breakdown, Vice President Duterte publicly issued death threats against President Marcos and his family, which later formed part of the basis for an impeachment complaint filed against her [GMA News Online 2024].

Notwithstanding these corruption allegations and conduct widely deemed unbecoming of a public official, the Vice President's tirades and visible frustration had the effect of consolidating her support base, which has fervently portrayed her – particularly on social media – as «an indestructible, larger-than-life leader» capable of withstanding «political persecution» amid the Marcos administration's betrayal of the Duterte family [Baizas 2025, 16 January]. The unravelling of this alliance forged around short-term electoral gains only underscores how a «winner-takes-all» logic continues to shape interactions among ruling families in the country, with coalitions prone to collapse in the absence of a sustained governing agenda beyond the convenience of political manoeuvring [Arugay 2024, 4 July].

2.3. *Escalation of the Marcos-Duterte Rivalry*

The Marcos-Duterte rivalry further intensified in 2024 as major congressional investigations brought renewed scrutiny to the Duterte administration's drug war, which featured explosive testimonies from alleged insiders and the interrogation of former President Rodrigo Duterte himself before lawmakers. This domestic wave of scrutiny was later compounded by Duterte's arrest by the International Criminal Court (ICC) on charges of crimes against humanity [Bolledo 2025, 11 March]. The former president's anti-illegal drug campaign, which defined much of his six-year tenure from 2016 to 2022, saw as many as 30,000 deaths attributed to police operations and vigilante-style killings [Iglesias 2023]. In cooperating with Interpol in Manila to serve the former president's ICC arrest warrant, the Marcos administration defended its position by citing its international commitments and its obligation to assist the international agency in carrying out its mandate. While efforts to seek accountability for Duterte's «War on Drugs» through the ICC enjoy majority support among the Filipino public, the arrest itself has not translated into tangible gains in public trust or support for the Marcos administration [Butuyan 2025, 1 May]. Indeed, the immediate reaction to this development pointed to a consolidation of the Duterte support base, alongside the attraction of new adherents from the Marcos bloc as the narrative of political persecution gained traction in the wake of Rodrigo Duterte's sudden arrest [Calimbahin 2025, 21 March].

Further reinforcing this narrative was the impeachment of Vice President Sara Duterte in February 2025 by the House of Representatives after the endorsement of 215 lawmakers – well above the three-fourths threshold required to transmit an impeachment case. This made Duterte the first Filipino vice president to be impeached, despite being at the time the most popular and trusted public official in the country [Pechay 2026, 11 February]. Indeed, while her trust ratings as measured by various polling firms have also dropped similar to President Marcos during this time, ultimately as a result of the corruption allegations and the series of widely publicized congressional hearings against her office's spending of its confidential

funds, she nonetheless remained comparatively more trusted and widely popular than the president or any other high-ranking official in the country [Baroña 2026, 2 February; Cabato 2026, 16 March].

Indeed, her popularity provided the leverage that not only preserved her political career, but also emerged as a significant challenge to the Marcos presidency. Unlike the House of Representatives, senators – elected at the national level, much like the holders of the two highest executive offices – are more directly attuned to shifts in public opinion, particularly in the wake of the Marcos administration's declining popularity after the 2025 midterm elections. It is within this context that the Senate ultimately chose to archive the impeachment complaint against the vice president, despite the overwhelming support it received in the lower house. Likewise, the Supreme Court, which is currently dominated by Duterte appointees, also declared earlier impeachment efforts against the vice president as unconstitutional on procedural grounds. These outcomes suggest that while there may be sufficient reasons to pursue corruption allegations against Duterte, the fate of removing a public official ultimately hinges on political arithmetic and shifting loyalties, especially with their sights firmly set on the 2028 national elections.

2.4. *Expressing Dissent Through the Elections*

In the Philippines, midterm elections, during which half of the 24-member Senate is elected to six-year terms alongside a new cohort of district representatives in the lower house, are often viewed as a referendum on the sitting administration's performance and popularity. In light of the results of the 2025 elections, analysts have argued that Marcos Jr. has effectively entered a lame-duck phase of his presidency, following the underperformance of the administration's slate in the polls [Chen & Wang 2025, 15 May; Asia Sentinel 2025, 15 May]. More specifically, of the 11 Senate candidates endorsed by the administration, only five government bets were able to secure seats, signalling President Ferdinand Marcos Jr.'s waning influence. By comparison, former President Duterte, at a similar point in his presidency in 2019, secured nine seats, as did former President Aquino in 2013. Meanwhile, candidates aligned with the vice president won five seats. The Liberal Party-linked opposition also made a notable recovery from its complete defeat in 2022, securing two seats in the senate.

This senatorial reshuffle was not entirely unexpected given the clear split between the two powerful families that had already peaked in the preceding year. To some extent, the Marcos administration's weak showing in the Senate afforded Vice President Duterte greater room for manoeuvre and bargaining leverage, particularly amid calls to hold her accountable through impeachment. At the same time, however, the results in the lower house continued to reflect the administration's strong hold across congressional districts, with many candidates running unopposed,

while those openly aligned with the vice president failed to secure comparable gains. Hence taken together, some observers have also described the midterm elections as a draw between the two families, noting in particular that because «party discipline is weak» in the country, candidates for district representative are incentivized to not strictly endorse their party slates «in exchange for support and endorsement from other influential groups» [Atienza 2025, p. 178]. Beyond the competition between the two dominant families, questions of accountability and state capacity also surfaced in other areas. The postponement of the first parliamentary elections in the Bangsamoro Autonomous Region of Muslim Mindanao in 2025 further exposed the continuing fragilities of transitional governance in the region.

Ultimately, the administration's electoral defeat is effectively a showing of much public dissatisfaction over the government's failure to deliver on the promises of economic relief, continuity and «unity», as well as its inability to hold corrupt politicians accountable. Indeed, the administration openly recognized this failure, immediately reshuffling the Marcos cabinet after the elections [Cupin 2025, 22 May]. There is also evidence of «voter remorse», as segments of the public expressed regret over supporting an alliance that not only failed to deliver on its promises but also became consumed by intense political infighting that diverted attention and resources away from more pressing issues [Arugay 2025, p. 165]. In this regard, younger voters, who comprise around 60% of the national electorate, turned out in large numbers, partly explaining the opposition's improved performance in this electoral cycle through their support for progressive, liberal-democratic candidates at the senate and the party-list system [Alba 2025].

2.5. *Politics of Accountability amid Corruption Scandals*

Driven by the need to shift attention away from (1) the political feud that had come to define Philippine politics in the last two years and (2) the dismal electoral performance of the government, President Marcos Jr. launched a full-scale probe into widespread corruption in the country's infrastructure spending. In particular, the president revealed in his annual State of the Nation Address that infrastructure funds allocated to flood control projects in previous appropriations had been diverted through kickbacks and other illicit arrangements involving corrupt officials, politicians, and private contractors, resulting in projects that were either substandard or, in some cases, even non-existent [Office of the President of the Republic of the Philippines 2025]. The government immediately made public a list of 15 construction firms implicated in the scandal, reportedly siphoning off as much as 20% of the Php 545 billion budget allocated for flood control projects since Marcos assumed office in 2022. In an effort to assure the public of its commitment to addressing corruption, the administration turned to highly publicized investigations and established an Independent Commission on Infrastruc-

ture (ICI) tasked to audit projects, review procurement, and recommend accountability reforms.

Among the many contractors and politicians implicated in the scandal, several figures stand out as emblematic of its broader significance, having drawn significant public outrage and revealing close ties to influential decision-makers: the Discaya couple and former party-list representative Elizaldy Salcedo Co. Prior to the revelations of deep-seated corruption, these individuals and their relatives had openly flaunted their extravagant wealth on social media, even attributing it to their connections with government agencies, particularly the public works department [Philippine Daily Inquirer 2025, 29 August]. Owners of two companies identified in the government's list of 15 contractors, the Discayas disclosed during highly publicized congressional investigations the involvement of government officials and lawmakers in the systemic corruption surrounding the country's flood control projects. For his part, Elizaldy Co, who fled the country in August 2025 amid mounting accusations, released a series of video statements and testimonials that ultimately pointed to the alleged involvement of President Marcos himself and then-Speaker Martin Romualdez in the scandal.

While the Discayas, along with 14 officials from the public works department and former Senator Bong Revilla, were eventually detained and made to face trial for their alleged involvement in the flood control scandal, public sentiment has remained largely unsatisfied as congressional investigations have raised more questions than they have resolved. In particular, the resignation of the president's cousin, Martin Romualdez, as House Speaker amid accusations of his direct involvement in these infrastructure anomalies raised serious questions about the integrity of the Marcos administration. At the same time, the fact that many implicated officials remained in office reinforced the perception that the government's response amounted to «mere gestures of scrutiny that replaced meaningful sanction» [Go 2026, p. 246]. While President Marcos' initial focus on addressing corruption may have been driven in part by a desire to shift attention away from the Marcos-Duterte feud, the scandal also bolstered claims from the Duterte camp that deeper political calculations were at play, as key Marcos allies appeared insulated from accountability during the exposé, in contrast to the treatment the Vice President has faced in her impeachment proceedings.

3. *Domestic Economy*

Although the Philippines remained among the region's stronger performers, with growth at 5.6% in 2024 and 4.4% in 2025, these figures still fell short of official targets. At the same time, longstanding challenges related to uneven development and income inequality persist, compounded by pres-

sures from an ongoing education crisis, rising prices of basic goods, and the country's exposure to natural disasters.

3.1. *Exposing Structural Vulnerabilities*

A succession of powerful typhoons struck the Philippines in mid-2025, affecting nearly 10 million people and leaving Manila and its surrounding provinces submerged in floodwaters for days. Indeed, the *World Risk Report* in 2025 identifies the Philippines as the most exposed globally to «extreme natural events and negative climate change impacts» [Bündnis Entwicklung Hilft 2025]. Similarly, a 2023 UN Migration assessment estimates that disasters in the country have persistently triggered internal displacements, with storms and floods accounting for 81% of these regular evacuations [UN Migration 2024]. Such conditions disproportionately affect already vulnerable populations and, in turn, undermine the effectiveness of social protection programs and poverty alleviation efforts

In the immediate wake of the mid-year tragedy, President Marcos Jr. delivered his fourth State of the Nation Address where he expressed both disdain and frustration over reports of rampant corruption tied to the country's flood control infrastructure projects. This revelation not only exposed systemic irregularities in infrastructure spending but also laid bare the vulnerability of large segments of the population to substandard public services, alongside the normalization of inequality by those who have unjustly benefited from such arrangements.

Ultimately, corruption in the country's flood control projects undermined confidence in the country's growth prospects and in the government's ability to manage public funds effectively. It has also weighed on the country's growth prospects by constraining the government's role as a facilitator of economic expansion, amid declining trust and confidence in public institutions. In response, infrastructure spending has been curtailed, with delays in fund disbursement as projects come under heightened scrutiny. The renewed emphasis on accountability and anti-corruption has also limited the executive's flexibility in deploying public funds in line with development priorities. As a result, the government faces the dual challenge of restoring institutional integrity while ensuring that its capacity to implement critical projects is not unduly constrained by the renewed emphasis on anti-corruption.

3.2. *Targeting Inflation*

More on the development front, a key challenge to the Marcos administration's efforts to address poverty and promote inclusive growth during this period was the rise in commodity prices. Although official poverty incidence declined from 18.1% to 15.5% as shown in the latest data available, self-rated poverty or Filipino households' own assessments of their

economic condition moved in the opposite direction, from 48% in 2023 to 57% in 2024. This divergence reflects the impact of inflation during this period, which was primarily shaped by a surge in consumption recovery following the pandemic, as well as external shocks linked to the war in Ukraine [Punongbayan 2024].

Indeed, the country's economic growth for 2024 has been «heavily moderated by the lingering effects of the accelerating and slowing inflation in 2023» which saw a year-on-year increase in prices at 6% [Rivera et al. 2024, p. 8]. While inflation eased to 3.2% in 2024, overall consumer sentiment, as recorded by the Central Bank of the Philippines, became more pessimistic during this period. This negative sentiment was driven by perceptions of rising prices and household expenses, declining income, limited job opportunities, and concerns over the government's effectiveness in managing inflation, improving transport conditions, providing financial support, and addressing employment issues [Bangko Sentral ng Pilipinas 2024].

It is also noteworthy that the headline inflation rate for 2025 declined to 1.7%, its lowest level in nine years, following a coordinated government response that included lowering the maximum suggested retail price for imported rice, setting price ceilings for selected agricultural products, and expanding relief and emergency cash assistance programs for vulnerable groups [Department of Finance 2026, 6 January]. One of the Marcos administration's most visible policy commitments has been its pledge to bring down the price of rice to Php 20 per kilo. Framed under the program «Benteng Bigas Meron na!» (Php 20 Rice, Now Available!) – a slogan that also echoes the president's initials (BBM) – the initiative sought to cushion the impact of rising food costs by providing subsidized rice to vulnerable groups. The government reported that it reached 2.5 million beneficiaries by the end of 2025, prioritizing senior citizens, solo parents, persons with disabilities, low-income households, and minimum-wage earners [Patinio 2026, 24 January]. Originally a campaign promise, the program was positioned as a key measure to address food affordability in the country.

However, the BBM initiative has also drawn criticism. Analysts argue that it does little to improve the livelihoods of poor farmers and other vulnerable actors in the agricultural sector [De Santos 2025, 24 April; Salcedo 2025, 28 July]. Moreover, its broader impact on food security and poverty reduction remains limited without deeper structural reforms, including improved agricultural infrastructure, stronger measures against smuggling and cartel activity, and more efficient production and distribution systems [Chavez 2025, 20 March].

Nevertheless, the easing of inflation signalled the government's responsiveness to the economic concerns of ordinary Filipinos, a shift that was also reflected in improved consumer sentiment in the following year in 2025 [Gonzales 2025, 6 June]. More broadly, economic governance over

the past two years has shown a degree of stabilization despite the persistent political tensions that have defined much of the Marcos administration. In this sense, Marcos Jr. was able to project «an image of economic continuity even as trust in political institutions weakened» [Go 2026, p. 250]

3.3. *Human Capital Development under Strain*

Despite improvements in overall economic performance and the easing of basic commodity prices, progress in human capital development has remained limited in the past two years. Indeed, it is reported that «increasing job opportunities» ranked as the top priority for Filipino voters when choosing candidates in the 2025 midterm elections, underscoring the urgency of the country's employment situation. The unemployment rate rose to 5.8% up from 4.3% in January 2025, equivalent to roughly 2.96 million jobless Filipinos. This marks the highest unemployment rate recorded since the country's post-pandemic recovery in 2022. Indeed, the persistence of weak labour market conditions amid rising unemployment points to deeper structural challenges, as the economy continues to struggle to generate stable and sufficient employment beyond its pandemic-era baseline [De Leon 2026, 14 March]. This is partly reflected in the pattern of employment gains over the past two years, which have been concentrated in the services sector, accounting for the largest share of total employment at 61.4%, followed by agriculture at 20.9% and industry at 17.7% [Department of Finance 2025, 6 August].

In connection to the lack of stable jobs is the ongoing education crisis in the country. Long marked by weak performance in international assessments of basic skills and overall educational quality, recent results further indicate that more than three out of four Filipino students fall below minimum proficiency levels in mathematics, science, reading, and creative thinking [Second Congressional Commission on Education 2026]. Current assessments also point to a deepening learning crisis in the country, shaped by decades of underinvestment in the education sector. Government agencies remain overstretched, while gaps in learning materials and infrastructure persist, and deficiencies in teacher training and skills continue to undermine educational outcomes [Hernando-Malipot 2025, 7 July].

In response to these persistent challenges, the Marcos administration approved what it described as a «historic budget» for the Department of Education for the coming year, amounting to Php 1.044 trillion. This marks the first time the Philippines has met the global benchmark of allocating 4 to 6% of GDP to the education sector [Escosio 2026, 6 January]. This significant increase in the education budget is also partly a result of budget reallocations from flood control projects following the corruption exposé surrounding the public works department. Indeed, this development also highlights a «deeper imbalance», as «education continues to compete with infrastructure for [limited] resources», while persistent fund leakages fur-

ther widen disparities across regions and schools [Second Congressional Commission on Education 2026, p. 583].

4. *Foreign Policy*

When it comes to the country's external relations with major powers, developments in domestic politics over the past two years have proven crucial in shaping the trajectory of Philippine foreign policy. The case of former mayor Alice Guo and her alleged links to the proliferation of offshore gaming operations in the country offers a telling example.

4.1. *Exposing Vulnerabilities*

In early 2024, authorities conducted a series of raids on offshore gaming operations, many of which had been set up and run by Chinese nationals whose presence in the sector had grown in recent years. These establishments were subsequently shut down after being identified as hubs for a range of transnational criminal activities [Buan 2024, 24 August]. The situation shifted decisively with the emergence of Alice Guo in the controversy. As a local chief executive, her authority and political position enabled an online gambling facility in Bamban City, Tarlac Province, to operate largely unnoticed until it was eventually brought to public attention. Similar to the other high-profile political scandals discussed earlier, widely publicized Senate and congressional hearings into her involvement exposed extensive government links to corruption and transnational criminal networks in the country, as well as the underlying vulnerabilities of Philippine institutions.

Of Chinese descent, Guo's citizenship became a central point of scrutiny in congressional hearings, as she failed to provide a clear and consistent account of her background in the Philippines. In particular, her claim that she was the child of a Filipina mother was called into question, with investigations instead indicating that she was born to two Chinese nationals thus raising serious doubts on how she was able to assume public office and secure the mayoralty. As a result, a local court ordered the cancellation of her birth certificate, effectively ruling that she is in fact a Chinese citizen by virtue of her parentage.

Public scrutiny and widespread frustration over the scandal stemmed from concerns that Filipino citizenship could be fraudulently obtained, particularly by foreign nationals with links to transnational crime. These concerns were further amplified by the context of strained bilateral relations with China, reinforcing a broader narrative that the country has become increasingly vulnerable to perceived Chinese influence. Indeed, Guo's jailing and conviction in November 2025 was not primarily due to the issue of fraudulent citizenship, but rather her central role in a scam operation

linked to human trafficking. The broader issue of accountability for the proliferation of fraudulent Filipino citizenship documents remains unresolved, even as it raises far more serious concerns [Philippine Daily Inquirer 2026, 26 March]. This is particularly troubling for the government given estimates that as many as 50,000 birth records similar to Guo's are fraudulent, spread across more than 1,600 civil registry offices nationwide [National Bureau of Investigation 2026, 19 March].

Interpreting the Alice Guo saga as an unintended consequence of the Duterte administration's (2016-2022) China pivot has also emerged as a dominant narrative in explaining the issue. Set against the backdrop of the unravelling alliance between the Duterte and Marcos families, the controversy has not only cast a negative shadow over the former president's foreign policy legacy but has also complicated efforts to improve bilateral relations with China under Marcos Jr. While the Chinese government has denied any official involvement and has cooperated with authorities in Manila in addressing criminal activities, particularly amid allegations of espionage, these developments have nonetheless «collectively emboldened nascent Sinophobic tendencies as the nation grappled with both the unknown and the untrusted» [Gloria 2025, 25 March].

4.2. *Escalating Tensions at Sea*

While the Alice Guo saga dominated public discourse on the country's relations with China, which has reinforced perceptions of the domestic risks associated with closer engagement, tensions in the South China Sea persisted over the past two years, marked by frequent and increasingly direct confrontations in contested waters. In particular, coast guard vessels from both sides have repeatedly clashed as the Philippines carried out rotation and resupply missions (RORE) to the BRP *Sierra Madre*, which remains grounded at Second Thomas Shoal. The World War 2 vessel was deliberately beached there in 1999 to serve as a military outpost, thereby reinforcing the Philippines' claim over the area. During one of the Philippines' routine RORE missions to personnel stationed at the shoal in June 2024, a particularly intense confrontation occurred between the two sides' coast guards. Chinese forces reportedly seized personal belongings, firearms, and equipment from their Filipino counterparts, and one Filipino sailor lost a thumb as a result of the physical altercation [Kabagani 2025, 15 August]. While a provisional understanding was later reached between the two countries regarding subsequent RORE missions, thus temporarily easing tensions, similar incidents continued to occur thereafter.

Specifically a year later in August 2025, during a similar mission near the Scarborough Shoal, a Chinese Coast Guard vessel pursuing its Filipino counterpart, BRP *Suluan*, collided with a Chinese Navy warship «in an attempt to try and sandwich» the Filipino vessel «in a pincer movement» [Storey & Arugay 2025, 25 August]. While the deft manoeuvring of the Phil-

ippine Coast Guard was widely praised in the Philippines, the incident also heightened concerns that China had doubled down on its aggressive tactics in the area. Indeed, shortly after this dangerous collision, China formally announced plans to establish a national nature reserve at the vicinity of Scarborough, a move the Philippines viewed as being aimed at further consolidating Beijing's control over the area [Gan & Magramo 2025]. Indeed, by the Philippines' own account, China's maritime presence in contested waters has increased over the past two years, with an average of 27 days in a month of what Manila considers illegal presence at the Scarborough Shoal – effectively «displac[ing] Filipino fishermen … from their traditional fishing grounds» [Philippine Coast Guard 2025].

In addition to maintaining a sustained presence in the South China Sea in response to rising tensions, the Philippines has pursued a mix of strategies that emphasize expanding partnerships beyond its traditional alliance with the United States, continuing the modernization of its military, and reinforcing a nationalist discourse to sustain public support for defending the country's rights in contested waters. Efforts to consistently expose what Manila views as China's growing assertiveness in Philippine waters have also been complemented by initiatives aimed at more systematically educating the public on the country's claims and legal rights in the area, countering misinformation, and fostering a stronger sense of patriotism around the issue [National Task Force for West Philippine Sea 2025, 25 January]. The Marcos administration has also updated and streamlined its procurement plans for critical military equipment, prioritizing the acquisition of maritime and air assets – such as guidedmissile hybrid frigates, combat helicopters, and light fighter jets – to strengthen deterrence and maintain a credible defence posture in the South China Sea [Sadongdong 2025, 30 December]. Finally, the country also saw the continued expansion of its regional and global partnerships, pursuing agreements on joint military training and exercises with new partners such as France, Canada, and New Zealand, thereby complementing its existing ties with like-minded nations motivated by shared security concerns.

4.3. *An Evolving China Policy*

Despite the negative externalities associated with the expansion of transnational criminal networks in the country, as well as rising tensions and close encounters at sea, Manila's management of its bilateral relations with Beijing over the past two years has continued to emphasize the importance of diplomacy and sustained communication. This approach has been shaped by both domestic and external factors, which have ultimately pushed Manila to recalibrate its China policy toward a more balanced posture that places diplomacy at its core.

Domestically, the poor performance of Marcos-aligned senatorial candidates in the 2025 midterm elections suggests that the populist appeal

of nationalist, anti-China policies does not necessarily translate into electoral success, particularly in light of the continued popularity of Duterte and her allies. Indeed, her camp has largely maintained a lower profile on China's activities in the South China Sea despite public opinion overwhelmingly supporting a more proactive stance against China [Cervantes 2025, 29 April]. Moreover, none of the 12 winning Senate candidates campaigned explicitly on an anti-China platform, with successful administration-aligned candidates instead emphasizing pressing domestic issues. At the same time, candidates outside the administration who are closely associated with the Duterte camp were not penalized at the polls despite their more China-friendly positions. The resilience of the Duterte camp suggests that Marcos's attempt to reposition himself as an anti-establishment figure, which was partially anchored in a more confrontational stance toward China during the first half of his term, did not resonate with the Filipino electorate [Gloria 2025, 29 May].

From this context, part of the Marcos administration's response to its poor electoral performance has been a recalibration of its more assertive foreign policy stance. One indication of this shift was the appointment of a veteran China negotiator as foreign affairs secretary during the post-election cabinet reshuffle [Cupin 2025, 1 July]. Maria Theresa Lazaro, who assumed the position, was also the lead negotiator in facilitating a provisional agreement between the two sides during the 2024 Second Thomas Shoal incident. She has also led several rounds of regular bilateral consultations with China prior to her appointment. Additionally, it is under her leadership that the Philippines is holding the ASEAN chairmanship this year, during which negotiations on a Code of Conduct (COC) in the South China Sea, ongoing for more than two decades, may move closer to conclusion. While key points of contention remain, particularly over whether the COC should be legally binding – a position on which China and the Philippines continue to differ – Lazaro's background as a pragmatic China negotiator, alongside the Marcos administration's effort to recalibrate and temper Manila's diplomatic approach, offers cautious optimism that talks will continue to advance under Philippine leadership. As Lazaro has noted, «issues concerning [Philippine-China] bilateral matters will be set aside» in leading the COC negotiations, with the aim of prioritizing broader regional interests as this year's ASEAN chair [Chi 2025, 17 November].

Taking stock of the first 50 years of official relations between the Philippines and China, which was also a milestone reached last year, recent developments and shifts in Manila's China policy suggest that changing priorities among dominant political actors remain the primary driver of bilateral relations [Gloria 2025, 11 August]. It has proven difficult for the Marcos administration to sustain the more assertive stance it initially adopted, particularly in light of its declining popularity relative to Vice President Sara Duterte, who has maintained a more China-friendly position. At the

same time, the Philippines continues to stand out within ASEAN for its more confrontational posture toward Beijing, a path most regional states have avoided. Finally, evolving dynamics in U.S. policy toward the region have also altered the strategic context, complicating Manila's earlier, more proactive approach.

4.4. *Navigating Changing American Priorities*

Indeed, apart from domestic factors, perhaps one of the most crucial aspects that has shaped the Marcos administration's current foreign policy recalibration are the significant global changes brought about by American foreign policy under Donald Trump. In particular, the renewed vitality of American protectionism has placed the country in a precarious position vis-à-vis its regional partners. The Liberation Day tariffs announced in April 2025 have mainly targeted countries in the region including US allies, threatening the stability of regional supply chains from which the Philippine economy is highly dependent. Subjected to a 19% tariff on all its exports to the United States, the Philippines was forced to reduce tariffs on American imports to zero from the previous 8%. This development, alongside declining investor confidence driven by corruption scandals, contributed to the country's failure to meet its 2025 growth target of 5.5 to 6.5% [Felipe 2026, 29 January]. Indeed, many in the country have described this outcome as a «bad deal» with the United States, particularly as Marcos's negotiations secured only a one percentage point reduction from the original tariff plan [Lalu 2025, 23 July]. The result has been widely viewed as insufficient recognition of the Philippines' role in advancing shared efforts to counter China's regional influence. These developments also reflect the Trump administration's comparatively limited attention to the Indo-Pacific and its partners, as its strategic focus shifted to other priorities.

Meanwhile, China has doubled down on its focus on prioritizing its neighbourhood, framing the region as collectively victimized by Trump's protectionism. Immediately after the announcement in April last year, Xi Jinping embarked on a multi-country visit across Southeast Asia, where his message of standing together against unilateral bullying, rejecting protectionism, and embracing a spirit of good neighbourliness was received well by audiences in Cambodia, Malaysia, and Vietnam [Gloria 2025, 26 April]. Indeed, Trump's tariffs have nudged ASEAN countries closer to China, further isolating the Philippines' more confrontational posture at sea and complicating the level of support it can expect from the regional bloc.

Just as surprising was the adoption of the Liberation Day tariffs, so too was the speed with which US-China relations were recalibrated in the latter half of 2025. In a landmark meeting between the leaders of the world's two largest economies last October, both sides agreed to reduce reciprocal tariffs, on top of other significant agreements. Trump also struck an optimistic tone on the prospects for major power relations, even describing his

meeting with Xi Jinping in Busan as a «G2» meeting. This shift in rhetoric, together with the promise of further meetings between the two leaders this year, suggests that confrontation with China has moved lower on Trump's list of external priorities, with ripple effects reflected in subsequent adjustments in Philippine foreign policy.

By early 2026, Philippine foreign policy was already showing notable shifts in response to the recalibration of major power relations. Marcos himself signalled a «very serious restructuring» of ties with China [Domingo 2026, 25 March]. While public opinion in the Philippines remains largely sceptical of any move toward a softer approach, developments over the past two years suggest that external dynamics and elite political calculations continue to play a decisive role in shaping the country's strategic direction, often overriding prevailing public sentiment.

5. *Conclusion*

Many of the developments that have preoccupied the Philippines over the past two years point to the centrality of elite politics and weak institutions as enduring features that continue to define Philippine democracy. As discussed in this review, the unravelling of the alliance between the country's two most powerful political families shows how short-sighted electoral goals continue to trump more sustainable visions rooted in party ideology or the pursuit of clean governance. Indeed, current efforts to pursue accountability and combat corruption under the Marcos administration have been widely perceived as an extension of political manoeuvring carried over from the 2022 national elections, made evident by the rapid collapse of the «UniTeam» alliance. Likewise, the failure to hold close allies of the Marcos government accountable, despite the extent of the corruption networks uncovered, has left the broader public dissatisfied with the country's political prospects.

This prevailing mistrust and lack of confidence have also spilled over into the country's economic outlook, undermining progress toward its transition to an upper-middle-income economy. Developments over the past two years show how corruption, weak institutions, and intense elite rivalry not only erode the confidence needed to sustain short-term growth, but also carry longer-term consequences. As discussed in this review, investments in human capital are either siphoned off through corruption or constrained by the need for tighter oversight. Indeed, this dilemma rooted in institutional weakness, continues to hinder the country's pursuit of sustainable and inclusive growth.

This review has also shown how political infighting figures in the country's foreign policy choices, particularly in the context of evolving major power competition between China and the United States. For the Marcos administration, the initial incentive to adopt a more confrontational stance toward China was clear, given strong public support and the desire to distinguish

itself from the Duterte legacy of leaning closer to China. Yet the continued popularity of the Duterte bloc over the past two years, especially evident in the 2025 midterm elections, suggests that more hardline foreign policy positions do not necessarily translate into electoral advantage. Combined with abrupt shifts in US-China relations driven by Trump's transactional foreign policy and changing American priorities, these dynamics ultimately pushed the Marcos administration to recalibrate its China policy by the end of 2025. In this context, the coherence and predictability of Philippine foreign policy remain constrained by the short-term calculations of political elites and the structural pressures of navigating between two major powers.

With declining trust and optimism toward the Marcos administration, it is reasonable to conclude that the focus on political conflict with the Dutertes – with both sides already looking toward the 2028 presidential elections – has, at the very least, failed to deliver meaningful gains for the government's political standing and, more importantly, for the welfare of ordinary Filipinos. At the halfway point of his presidency, the country may see significant policy adjustments aimed at delivering tangible outcomes especially as the Marcos administration seeks to secure a more enduring legacy amid signs of faltering leadership.

Bibliography

Alba, Emmanuel L., 2025, 'Elite capture of the party-list: Analysing the 2025 Philippine midterm elections', *Contemporary Southeast Asia*, 47(2), pp. 188-193.

Arugay, Aries A., 2024, 4 July, 'Unravelling of the Marcos-Duterte dynastic alliance', Fulcrum.

Arugay, Aries A., 2025, 'Exit, Voice and Loyalty: The 2025 Philippine Midterm Elections', *Contemporary Southeast Asia*, 47(2), pp. 163-168.

Asia Sentinel, 2025, 15 May, 'Philippines' Marcos: Lame duck'.

Atienza, Maria Ela L., 2025, 'Not Everything Is About Her: The Impeachment of Vice-President Sara Duterte and the 2025 Midterm Elections', *Contemporary Southeast Asia*, 47(2), pp. 175-181.

Baizas, Gaby, 2025, 16 January, 'Duterte social media army very much alive, roars to defend embattled Sara Duterte', Rappler.

Bangko Sentral ng Pilipinas, 2024, *Consumer expectations survey report*.

Baroña, Franco Jose C., 2026, 2 February, 'Trust in President Marcos dips in Q4 2025 Octa survey; Vice President Duterte's ratings rise', *The Manila Times*.

Bolledo, Jairo, 2025, 11 March, 'ICC warrant: Rodrigo Duterte used DDS, law enforcers to kill 'criminals'', Rappler.

Bonoan, Cristina Regina, & Björn Dressel, 2026, 'Constitutional Change and Oligarchic Politics in the Philippines, 1987-2024', *Journal of Current Southeast Asian Affairs*, 45(1), pp. 171-197.

Buan, Lian, 2024, 24 August, 'Shades of gray: How PH ended up with a POGO crisis', Rappler.

Bündnis Entwicklung Hilft, 2025, *World Risk Report 2025*.

Butuyan, Joel Ruiz, 2025, 1 May, 'What the surveys say on Duterte's ICC arrest', INQUIRER.net.
Cabato, Luisa, 2026, 16 March, 'Marcos ratings improve, VP Duterte rises in latest Pulse Asia poll', INQUIRER.net.
Calimbahin, Cleo Anne A., 2025, 21 March, 'Polarized opinion: The arrest of Duterte', Carnegie Endowment for International Peace.
Cervantes, Filane Mikee, 2025, 29 April, 'SWS poll shows Filipinos demand leaders who defend PH sovereignty', Philippine News Agency.
Chavez, L., 2025, 20 March, 'Anatomy of rice prices in the Philippines: Why □20/kilo remains a Marcos pipe dream', Philippine Center for Investigative Journalism.
Chen, Alyssa, & Orange Wang, 2025, 15 May, 'China-Philippine ties face reckoning after Marcos fails to thwart Duterte camp', *South China Morning Post*.
Chi, Cristina, 2024, 18 July, 'Sara Duterte teases 'long story' behind resignation from DepEd', Philstar.com.
Chi, Cristina, 2025, 17 November, 'Philippines ready to propose more frequent Code of Conduct talks as ASEAN chair', Philstar.com.
Cupin, Bea, 2025, 22 May, 'Marcos orders Cabinet courtesy resignations in 'bold reset' after 2025 midterms', Rappler.
Cupin, Bea, 2025, 1 July, 'Who is Tess Lazaro, Marcos' new foreign affairs secretary?', Rappler.
De Leon, Dwight, 2024, 11 December, 'Bicam decides not to restore VP Sara Duterte's slashed budget for 2025', Rappler.
De Leon, Nyah Genelle C., 2026, 14 March, 'Jobless Filipinos reach nearly 3M', Philippine Daily Inquirer.
De Santos, Jonathan, 2025, 24 April, 'DA promises quality P20/kg rice; farmers say program is 'poll gimmick'', ABS-CBN News.
Department of Finance, 2026, 6 January, 'DOF: Whole-of-government approach pushed 2025 inflation to 1.7%, lowest in nearly a decade'.
Department of Finance, 2025, 6 August, 'Recto on all-time high 52.4M Filipinos in the labor force as of June 2025: Not just more jobs, but quality jobs are on the rise'.
Domingo, Katrina, 2026, 25 March, 'Marcos: "Very serious restructuring" of relations with China "certainly going to happen"', ABS-CBN News.
Escosio, Jan, 2026, 6 January, 'Marcos signs 2026 budget with record P1.015 trillion for DepEd', INQUIRER.net.
Felipe, Jesus, 2026, 29 January, 'Tariffs and scandals tested Philippine growth in 2025', East Asia Forum.
Gan, Nectar & Kathleen Magramo, 2025, 'Why is China setting up a nature reserve in one of the world's most contested waterways?', CNN.
Gloria, Enrico, 2025, 25 March, 'China is set to be an election issue, and there are pitfalls ahead', Rappler.
Gloria, Enrico, 2025, 26 April, 'Why the Philippines can't ignore China's Southeast Asia pivot', *South China Morning Post*.
Gloria, Enrico, 2025, 29 May, 'Tensions with China fail to move the needle in Philippine elections', Rappler.
Gloria, Enrico, 2025, 11 August, '50 years of Philippines-China relations offer lessons for engaging an indispensable power', East Asia Forum.
GMA News Online, 2024, 'The impeachment trial of Vice-President Sara Duterte'.
Go, Jan Robert R., 2026, 'The Philippines in 2025: Scandals, accountability and resilience', in Terence Chong & Daljit Singh (eds.), *Southeast Asian Affairs 2026*, Singapore: ISEAS, pp. 241-257.

Gonzales, Anna Leah, 2025, 6 June, 'BSP: Consumers expect improved economic prospect in next 12 months', Philippine News Agency.
Hernando-Malipot, Merlina, 2025, 7 July, 'State of Philippine education 2025: How bold reforms can turn crisis into opportunity', *Manila Bulletin*.
Iglesias, Sol, 2023, 'Explaining the Pattern of "War on Drugs" Violence in the Philippines under Duterte', *Asian Politics & Policy*, 15(2), pp. 164-184.
Kabagani, Lade Jean, 2025, 15 August, 'Phl renews compensation demand from China over Ayungin Shoal incident', *Daily Tribune*.
Lalu, Gabriel Pabico, 2025, 23 July, 'Bad deal: Activists claim Marcos deal with Trump a sell-out of PH', INQUIRER.net.
National Bureau of Investigation, 2026, 19 March, 'NBI files charges against civil registry officials over fraudulent birth registrations involving foreign nationals'.
National Task Force for West Philippine Sea, 2025, 25 January, 'From comics to consciousness: Educating the nation with "The Stories of Teacher Jun"', Philippine Information Agency.
Office of the President of the Republic of the Philippines, 2025, State of the Nation Address of Ferdinand Marcos Jr.
Patinio, Ferdinand, 2026, 24 January, 'DA targets 15M household beneficiaries of "Benteng Bigas" this year', Philippine News Agency.
Pechay, Isabelle, 2026, 11 February, 'Sara Duterte's satisfaction rating higher than other PH officials – SWS', INQUIRER.net.
Philippine Coast Guard, 2025, Annual report.
Philippine Daily Inquirer, 2025, 29 August, 'From "roads to riches"'.
Philippine Daily Inquirer, 2026, 26 March, 'Dangerous fakery'.
Punongbayan, J. C., 2024, 'Much a Duterte about nothing: Continuity, complacency, and crisis in the Philippine economy (2016-23)', in Aries A. Arugay & Jean Encinas-Franco (eds.), *Games, changes, and fears: The Philippines from Duterte to Marcos Jr*, Singapore: ISEAS-Yusof Ishak Institute, pp. 33-58.
Rivera, John Paolo R., Mark Gerald C. Ruiz, and Ramona Maria L. Miral, 2024, *Macroeconomic prospects of the Philippines in 2024-2025: Toward upper middle-income status*, PIDS Discussion Paper Series, No. 2024-18, Quezon City: Philippine Institute for Development Studies.
Sadongdong, Martin, 2025, 30 December, 'Shifting threats: How 2025 tested the AFP beyond the battlefield', *Manila Bulletin*.
Salcedo, M. J., 2025, 28 July, 'Marcos' P20/kilo rice created "so much injustice" for farmers – UP scientist', *Philippine Daily Inquirer*.
Sarao, Zacarian, 2024, 4 September, 'Marcos: No politics in OVP budget deliberations', INQUIRER.net.
Second Congressional Commission on Education, 2026, *Turning point: A decade of necessary reform*.
Senate of the Philippines, 2024, 28 January, 'Chiz shows "resibo" Romualdez declaring plans to change charter via PI'.
Storey, Ian, & Aries Arugay, 2025, 25 August, 'Scarborough Shoal incident: A test for ASEAN, China and regional stability', Think China.
Tamase, Paolo, 2024, 29 April, 'Unconstitutional Moments: The 2024 Attempts to Change the Philippine Constitution', ConstitutionNet.
UN Migration, 2024, *Country Factsheet: The Philippines*.

Malaysia 2025: ASEAN chairmanship under the Madani framework

Emanuela Mangiarotti *and* *Nur Rafeeda Daut*

University of Pavia
emanuela.mangiarotti@unipv.it

University of Nottingham Malaysia
Rafeeda.Daut@nottingham.edu.my

Malaysia's assumption of the Association of Southeast Asian Nations (ASEAN) chairmanship in 2025 occurred amid growing domestic pressures on Prime Minister Anwar Ibrahim to deliver long-promised reforms. This article examines how the chairmanship functioned simultaneously as an instrument for accumulating political capital and as a magnifier of political tensions. It argues that the government strategically framed ASEAN leadership through the Madani framework to project moral authority, diplomatic competence and economic opportunity, attempting to reinforce legitimacy in a context of coalition fragility, corruption controversies and rising socio-economic discontent.

The study analyses how high-profile diplomatic engagements, mediation initiatives and humanitarian advocacy were mobilized to enhance government credibility. At the same time, domestic contestation over rising living costs, the controversial Agreement on Reciprocal Trade (ART) with the United States, corruption cases linked to the 1Malaysia Development Berhad (1MDB) and subnational electoral dynamics exposed limits to the chairmanship's legitimizing effects while leading to a depletion of political capital.

Ultimately, the chairmanship illustrates the reciprocal relationship between domestic governance challenges and foreign policy activism in a middle-power context.

Keywords – Malaysia; Association of Southeast Asian Nations (ASEAN); Madani framework; political capital.

1. *Introduction*

In 2025, Malaysia assumed the Association of Southeast Asian Nations (ASEAN) chairmanship at a moment of growing strain for the Anwar Ibrahim administration, under pressure to deliver on promised reforms. The reformist agenda of the main governing coalition Pakatan Harapan (Alliance of Hope, PH) has encountered structural and political obstacles, ranging from elite fragmentation to the persistence of informal power networks and identity-based mobilization [Mangiarotti & Razali 2025]. By 2025, key reform promises, particularly those touching issues of institutional accountability and socio-economic welfare, remained only partially fulfilled [Weiss 2025].

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

Political pressures were heightened by the need to manage a heterogeneous coalition, navigate contentious areas of policy intervention and respond to public expectations for social and economic progress. In particular, the long wave of corruption scandals involving prominent political elites, resumed centre stage in public debate, offering the opposition and public opinion new grounds to scrutinize the government. Regional electoral dynamics, notably the Sabah state elections, added further complexity. On the one hand, the campaign reignited deep-seated aspirations for regional autonomy, highlighting the federal government's failure to address the socio-economic disparities and political marginalization faced by insular states compared to those of Peninsular Malaysia.[1] On the other hand, the electoral results pointed to shifting allegiance. In particular, the erosion of support among Chinese voters for the PH coalition had immediate repercussions for the stability of the unity government. Parties that suffered significant electoral loss, like the Democratic Action Party (DAP), began pressing Prime Minister Anwar on policies aimed at regaining Chinese voter support, placing additional strain on relations among the coalition's constituent parties.[2]

Within this context, Malaysia's turn as ASEAN Chair[3] provided the government with an opportunity to build political capital. PM Anwar Ibrahim actively leveraged this role both externally, by articulating a vision for ASEAN as a regional and international player grounded in moral leadership, and domestically, framing the chairmanship as evidence of effective governance and emphasizing its potential to generate new political and economic opportunities for the country.

This article explores the interplay among internal governance challenges, societal expectations and the strategic use of ASEAN leadership to reinforce legitimacy and influence public discourse.

The analytical focus of the article is twofold. First, it investigates how Malaysia's ASEAN chairmanship both shaped and was shaped by domestic politics. Second, it explores the intersections among domestic political imperatives, foreign policy and economic considerations, showing how the chairmanship functioned simultaneously as a platform for accumulating political capital and as a magnifier of underlying political and societal pressures.

1. Malaysia consists of Peninsular Malaysia as well as the Borneo states of Sabah and Sarawak, which joined the federation in 1963. Over time, dissatisfaction has emerged in Sabah and Sarawak regarding economic disparities, particularly concerns that their natural resources have not been equitably distributed by the federal government based in Peninsular Malaysia.

2. Pakatan Harapan's electoral base is largely drawn from non-Malay voters, particularly the Chinese community, making their support crucial to the coalition's parliamentary strength. Since taking power, Pakatan Harapan has explicitly framed itself as pursuing a more inclusive Malaysia and reducing ethnic barriers.

3. The Chairmanship of ASEAN rotates annually based on the alphabetical order of the English names of Member States [ASEAN n.d.].

2. *Political capital and the ASEAN chairmanship under Madani framework*

Throughout 2025, the Anwar administration systematically leveraged Malaysia's ASEAN chairmanship as a source of domestic political capital. Political capital can be understood as the accumulated legitimacy, credibility and influence that political actors can mobilize to advance policy objectives and shape political outcomes. This capacity depends on the level of public support they enjoy, the range of policy instruments and resources at their disposal and their ability to deploy these effectively [French 2011].

The Anwar government framed high-profile summits, ministerial meetings and diplomatic initiatives as evidence of competence and leadership credibility in domestic affairs, especially leveraging the Madani framework as a guiding principle of Malaysia's ASEAN Chairmanship. At the outset of his mandate in 2023, Anwar Ibrahim launched the Malaysia Madani slogan, projecting a strong moral foundation to political leadership through a narrative of good governance, progress and common humanity, rooted in Islamic values [Mangiarotti 2024].

Evoking this approach, the PM characterized Malaysia's ASEAN leadership as guided by «wisdom, reason and a shared sense of purpose under the banner of unity and peace» [*The Star* 2025, 29 December]. Official messaging consistently touted the transposition of the Madani framework to the regional level, stressing Malaysia's convening power, its ability to articulate consensus within a fragmented regional environment and its normative leadership on selected humanitarian and political issues [*Bernama* 2024, 6 June; 2025, 25 April]. In a Facebook post late in the year, Anwar said that «this chairmanship has elevated Malaysia as a trusted partner in efforts to uphold peace, stability and hope in the region. May it endure, Insya-Allah» [*The Star* 2025, 29 December]. Within this framework, the PM emerged as a peacemaker, regional statesman and mediator [Beng & Hamzah 2025]. Highlighting the benefits this balanced approach would bring to Malaysia, Anwar affirmed that «when we maintain good relations with other countries, traders, tourists and investors come here – and that benefits the rakyat»[4] [Iskandar et al. 2025]. This statement conveyed both an attempt to respond to mounting criticism over a Comprehensive Strategic Partnership deal signed with the US on the sidelines of the October ASEAN Summit in Kuala Lumpur and to shift the focus away from the unresolved reform agenda and coalition fragility that continued to pose persistent challenges to domestic governance.

Public reception of Malaysia's ASEAN role, however, was uneven. For many, ASEAN leadership appeared distant from everyday concerns related to rising living costs, employment insecurity and governance accountability. The leadership's strong moral dimension became a further constraint, in

4. Rakyat is a Malay term meaning «the people of Malaysia», but only in context; as a Malay term, it actually just means «the people».

the context of perceived contradictions in policy and institutional practices and increasing polarization around identity and socio-economic issues.

2.1. *Domestic contestation over policy priorities*

Throughout 2025, public demonstrations, including calls for Anwar's resignation, illustrated the persistence of political polarization and the capacity of opposition actors to contest the executive's authority, despite Malaysia's heightened international visibility.

Critics questioned the extent to which the prime minister's emphasis on international engagement diverted attention and resources from unfulfilled domestic reform commitments. Opposition parties championed this narrative to undermine the unity government's credibility in the eyes of the discontented sections of the electorate, especially mobilizing socio-economic issues. In July, as public frustration over rising living costs became increasingly visible, Anwar announced the implementation of ad hoc measures, including a cash handout of RM100 [20] to all adult citizens and a cut to fuel prices [*Al Jazeera* 2025, 26 July]. The measures, however, did not dissuade thousands of people, mostly Malays, from taking to the streets on 26 July to demand Anwar's resignation. Under the leadership of the opposition party Parti Islam SeMalaysia (Pan-Malaysian Islamic Party, PAS) and Malay-rights groups, and with the support of major political figures such as former Prime Minister Mahathir Mohamad, protesters criticized Anwar government's tax measures for disproportionately affecting lower-income Malays and for failing more broadly to deliver on its electoral promises [*Channel News Asia* 2025, 25 July].

In critiquing the administration's self-celebrative tone on achievements as ASEAN Chair, PAS linked economic issues to broader concerns around the preservation of national sovereignty. The party expressed strong criticism of Anwar's engagement with US President Donald Trump and the signing of the Agreement on Reciprocal Trade (ART). PAS framed the issue as «not only an economic dispute but a civilisational one» [Shukri 2025]. In a Facebook post, PAS information chief Fadhli Shaari commented that «the agreement was not a victory to celebrate» adding that «it is, instead, a handover of Malaysia's policies, resources and regulatory power to Washington» [*Focus Malaysia* 2025]. Shaari's critique reflected widespread displeasure among opposition figures who framed the agreement as a new form of colonialism promoted under the guise of economic cooperation. Invoking fears of external control over domestic policy, some political opponents likened ART to the Malayan Union or the Pangkor Treaty of 1874[5] under British colonial rule.

5. The reference is to an agreement between Great Britain and Sultan of Perak in 1874, which established a British residence system and thus sanctioned British control over the Sultanate's administration, paving the way for the expansion of British colonial rule in Malaya.

Analysts highlighted the dozens of clauses that stipulate «Malaysia shall» undertake obligations, while far fewer impose binding commitments on the United States [Nixon 2025]. Detractors also raised the issue of sovereignty, particularly regarding provisions that require Malaysia to align trade restrictions with US measures taken against third countries for economic or nationalsecurity reasons [Hafiz Hassan 2025].

Debates also expressed worries about how expanded market access for US corporations could affect elite-owned businesses in Malaysia [Hunter 2025]. Many argued that ART was negotiated with limited parliamentary or stakeholder scrutiny [Nixon 2025]. In its effort to appease public outcry, the Anwar government stated that ART had averted major tariffs being imposed on Malaysia by the Trump administration [Yusof 2025]. Moreover, the deal had not yet entered into force, as it was pending domestic ratification and clausebyclause review [*The Vibes* 2026, 5 February].

These critiques intersected with debates over Anwar's political persona, particularly the tension between his reformist rhetoric and pragmatic accommodation of entrenched interests. Controversies surrounding internal party dynamics, including the election of Nurul Izzah Anwar, his daughter, as deputy president of Parti Keadilan Rakyat (PKR),[6] reinforced perceptions of elite consolidation and dynastic tendencies [Tan 2025].

These polemics intensified as both old and newly emerging cases of corruption involving key political figures belonging to parties within the unity government took centre stage in public debate. In December, former Prime Minister (2009-2018) and UMNO president (2008-2018) Najib Razak was found guilty of abuse of power and criminal breach of trust and sentenced to an additional 15 years in prison in connection to the 1Malaysia Development Berhad (1MDB) investment fund scandal. Najib had already been convicted of graft and money laundering but, in 2024, a Pardons Board chaired by Malaysia's king halved his sentence at the request of PM Anwar [Mangiarotti & Razali 2025, 239]. Within this context, anti-corruption activists renewed calls for reforms to ensure accountability of political elites and a more transparent institutional functioning [Tang 2025].

Electoral dynamics added another layer of complexity. The Sabah state election, held in November, became a focal point for debates about local disenchantment with the federal government. Long-standing demands for greater autonomy, combined with dissatisfaction over federal resource allocation, dominated the electoral campaign under the banner of the «Sabah first» slogan, championed by local political parties [Chai 2025]. Anwar responded to this sentiment by invoking unity and social harmony as key assets for Malaysia's international standing and attractiveness, stating that «the world looks at us for investment because this country is peaceful. Remember, not many countries have all races, Malay, Chinese, Iban,

6. Anwar Ibrahim is PKR's president.

Kadazan, Murut, Dayak, Bugis, Indian, who can sit together peacefully like this.» [*New Strait Times* 2025, 16 November].

Yet election results proved disappointing for Anwar's Pakatan Harapan (PH), the main ruling coalition within the federal unity government, which includes the Chinese-majority Democratic Action Party (DAP). Specifically, voting outcomes provided some indications of shifting political allegiances among electoral blocs previously considered solid, which analysts have interpreted as a response to growing dissatisfaction with federal-level political trajectories. While the locally based Sabah People's Alliance (GRS) was confirmed as the leading coalition in the state [Puyok 2025], the DAP experienced a decisive decline in voters' support in Chinese-dominated urban constituencies, losing all eight seats it contested [Mahmud & Norman 2025]. The party's poor performance revealed the political cost of its long-standing alliance with PH at the federal level, amid the corruption scandals tainting the unity government and a perceived failure to address key demands for redistribution and recognition that animate the state's political debate [Chai 2025]. The outcome prompted the DAP to pressure the Anwar administration to implement reforms, issuing a six-month ultimatum before «reassessing its role in government» [Bedi 2025]. Among the demands, the party included the recognition of the Unified Examination Certificate (UEC) for entry into public universities and the civil service awarded by independent Chinese medium schools, confirming the extent to which community-based educational policies continue to mobilize contentious issues of citizenship, economic opportunity and equity [Shukri 2026].

The Sabah elections thus represented a critical moment in which there have emerged new political configurations that are likely to shape momentum ahead of the next general elections, due by early 2028. At the same time, the outcomes underscored the limited traction that ASEAN leadership exerted over local grievances. While Anwar's appeals to unity and harmony sought to leverage Malaysia's multicultural composition as a signal of stability and a tool for attracting global investment, these gestures fell short of mediating voter concerns about resource allocation and recognition of community-based demands.

2.2. *Fault lines in the humanitarian agenda*

Malaysia's ASEAN chairmanship also intersected with a range of domestic sensitivities related to humanitarian and refugee issues. Discussions held during ASEAN meetings on Myanmar's political crisis and the situation in Gaza resonated strongly within Malaysia's domestic political sphere, where humanitarian concerns are deeply entangled with identity and distributive politics.

The government's vocal stance on Gaza in particular generated support and controversy. While historically Malaysia has been supportive of Palestinian independence and critical of Israel's colonial policies, Anwar

has emphasized this stance through a strong condemnation of Israel [Musa 2024]. Images of him addressing pro-Palestinian rallies made the headlines throughout 2025. The government openly supported Malaysia's participation in the Global Sumud Flotilla (GSF), the group of international vessels that attempted to break Israel's Gaza blockade in September 2025. Anwar backed public protests at Israel's abduction of GSF delegates and publicly praised them upon their return [*Borneo Post* 2025, 5 October]. Malaysia coordinated humanitarian assistance via Wisma Putra's Ops Ihsan, working closely with Malaysian NGOs and regional partners to deliver food, medical supplies, and emergency relief to Gaza [*The Star* 2025, 6 November; Ministry of Foreign Affairs Malaysia 2025]. Malaysia also welcomed and supported international calls for the full resumption of humanitarian aid, condemning the use of aid as a weapon of war [Ministry of Foreign Affairs Malaysia 2025].

Official expressions of solidarity with Palestinians aligned with popular sentiment, especially among segments of the Muslim majority. According to Shukri and Hassan, these discursive positionings should be read through the framework of civilizational populism, «a political ideology that […] involves a discourse that portrays a particular civilisation – often religious or cultural – as superior and under threat from outsiders or other civilisations» [Shukri & Hassan 2025, 2]. As the authors suggest, since the start of Israel's genocidal war on Gaza in October 2023, support for Palestine has been framed as the moral responsibility of Malaysia as representative of, and in relation to, the Muslim world, in line with the government's Madani framework [Mangiarotti & Razali 2025]. Anwar's use of «moral and civilizational narratives» in his stance over Gaza was instrumental «to assert Malaysia's autonomy on the world stage while reinforcing his domestic image as a defender of Islamic and national identity» [Mangiarotti & Razali 2025, 10]. This aspect assumes particular significance in a domestic political arena in which allegiance to identity claims continues to weigh on political legitimacy [Mangiarotti 2024]. In this context, affirming the primacy of Islam as the core moral reference to the government's political action has become key to maintaining credibility and countering accusations of betraying the national core coming from some sections of the opposition, including PAS. In this domain, as argued by Amrita Malhi, PAS holds the «narrative advantage» as the ultimate embodiment and representative of Malay-Muslim supremacism, within the spectrum of party politics [Malhi 2025]. In this respect, Anwar has anchored both domestic and foreign policy to a political narrative that allows him to walk a tightrope between the image of a strong Muslim leader and the multiple identity outlooks represented within a disparate government coalition comprising the DAP and regional coalitions such as the Sarawak Parties Alliance (GPS) and the Sabah People's Alliance (GRS).

The move, however, also exposed the Anwar administration to criticism, highlighting a fundamental disconnect between discourse and policy

decisions. The controversial ART deal was once again mobilized by the opposition to condemn Anwar's support for Palestine as hypocritical, given the efforts to strengthen diplomatic and economic ties with the United States, Israel's closest ally [Shukri 2025]. In a similar vein, critics have seized on the controversy over the involvement of a BlackRocklinked firm in the Malaysia Airports privatization to argue that the Anwar government's actions contradict its proclaimed support for the Palestinian cause. BlackRock, the world's largest asset manager, holds substantial investments in Israeli companies and in firms accused of enabling and supporting the genocide in Palestine. Some political figures have claimed that permitting such ties undermines Malaysia's moral stance and aligns the administration too closely with interests perceived as sympathetic to Israel [*South China Morning Post* 2024, 24 May].[7]

Similarly, discussions around refugee protection and humanitarian responsibility revealed a gap between Malaysia's regional rhetoric as ASEAN Chair and its domestic policy constraints. On the one hand, civil society groups called on Malaysia to use its chairmanship to push for more principled regional approaches to the Myanmar and Rohingya crisis, including enhanced protection frameworks and engagement with displaced communities. On the other hand, Malaysia's longstanding legal and policy limitations on formal refugee recognition and protection have left many Rohingya refugees in precarious conditions [*Justice for Myanmar* 2025; Lee 2025].

3. *ASEAN Chairmanship: Conflict, Mediation and President Trump*

Malaysia's role as ASEAN Chair inevitably became the central pillar of Prime Minister Anwar Ibrahim's foreign policy agenda for the year. The Madani government adopted the theme «Inclusivity and Sustainability» for ASEAN's 2025 chairmanship to signal its commitment to ensuring that regional development benefits all ASEAN member states and communities [Ministry of Foreign Affairs Malaysia 2024]. The concept of ASEAN centrality underscores the organization's role as the central convening platform of regional cooperation through normsetting, consensusbuilding, consultation and the avoidance of confrontation[8] [Caballero-Anthony 2014].

7. In response to the backlash over the involvement of a BlackRocklinked firm in the Malaysia Airports privatisation, Prime Minister Anwar Ibrahim and his administration defended the decision by urging critics not to politicise the issue and stressing that it was «not realistic» to sever ties with every company perceived to have links to Israel, arguing that doing so would harm the national economy while maintaining that Malaysia remains firm in its support for the Palestinian cause [*The Strait Times* 2025, 28 June].

8. According to Caballero-Anthony in classical realist terms, ASEAN is weak due to large disparities in military and economic capabilities among members. However, it influences the region through how it organizes relationships, shapes behavior, and structures regional interaction.

A major highlight of the ASEAN Summit was the invitation and visit of President Donald Trump to Malaysia. Despite the backlash surrounding Trump's invitation due to Palestinian issues and tariffs imposed by the US on ASEAN member states, Anwar defended the decision as an essential component of diplomatic engagement, arguing that it provided him a direct platform to raise concerns over the Gaza conflict and other pressing regional and global issues with the US President [*South China Morning Post* 2025, 2 October]. Some analysts viewed the invitation as simply the «ASEAN Way» of diplomacy which focuses on the principles of neutrality, non-interference and consultation while maintaining ASEAN's centrality [Heiduk and Hell, 2025].

Malaysia's and ASEAN's major concerns have always been to avoid being trapped in major powers rivalry. ASEAN members continue to hedge [Gerstl 2024], engaging both Washington and Beijing, and even participating in both US and China-led naval exercises, underscoring their determination to avoid choosing sides [Hutt 2023]. However, the US-China rivalry has increasingly turned into a zerosum game where major powers are pressuring ASEAN states to «choose sides». With member states like Laos and Cambodia highly aligned with China due to economic interests, and the Philippines towards the US for security reasons, ASEAN members are being pulled in different directions.

Trump's visit proved that the US was determined to use trade deals to counter China in the region. In that respect, political analysts, economists and academics have questioned the reasons behind the Madani government urgency in signing the ART agreement as other ASEAN member states are currently negotiating with the US. In that sense, the pursuit of unequal bilateral deals could have potential detrimental effects on efforts to advance collective responses among ASEAN countries [Armstrong 2025].

Thus, Malaysia's attempt to balance major powers and leverage neutrality for domestic and international political gain has yielded limited success. It has in turn contributed to challenging ASEAN centrality in the region particularly due to the failure in unifying ASEAN members on the Thailand-Cambodia conflict and the Myanmar conflict.

3.1. *The Thailand-Cambodia conflict*

The Thailand-Cambodia conflict presented Malaysia with a chance to enhance its international visibility by offering itself in a mediating role. As the chair of ASEAN, Malaysia played a leading position by installing several efforts to avoid the conflict from escalating with the goal of a ceasefire and peaceful resolution.

This long-standing, unresolved border dispute escalated into significant military clashes in 2025.

Discussions took an unexpected turn during the ASEAN Summit with President Trump's arrival and intervention. President Trump overshad-

owed Malaysia and ASEAN's efforts in resolving the conflict when he was seen as taking credit for «mediating» the dispute [*Politico* 2025, 6 October]. He termed the deal as «the Kuala Lumpur peace accords», called it «historic» and congratulated Anwar for the successful outcome, which saw the signing of the Joint Declaration between the two sides. Trump later praised Thai and Cambodian leaders for «acting like best friends» at the signing of the declaration.

Trump overlooked the fact that Thailand and Cambodia have not agreed on how to define the border, which currently seems impossible with rising nationalistic sentiment on both sides. Anwar's effort in playing a leading role during the peace talks backfired when Thai nationalist groups and some Thailanguage newspapers accused him of interfering in Thai sovereignty, overstepping his role as ASEAN Chair and not respecting ASEAN's principle of non-intervention. These accusations led to protests outside the Malaysian Embassy in Bangkok [*Bangkok Post* 2025, 22 November].

3.2. *The Myanmar conflict*

The Myanmar conflict has presented a new, demanding challenge for ASEAN. While the grave human rights aspect concerns all ASEAN members, Malaysia is particularly concerned about the influx of Rohingya refugees.

Through the Chairmanship, Malaysia adopted assertive positions on Myanmar. It consistently condemned the continued violence against civilians and insisted that the ASEAN FivePoint Consensus (5PC)[9] be used as the primary framework for conflict resolution [Ministry of Foreign Affairs Malaysia 2023]. Anwar has repeatedly emphasized that ASEAN has a moral responsibility to act when a member state violates the spirit of the ASEAN Charter, arguing that inaction would undermine ASEAN's legitimacy [Walker 2025].

In contrast with the usual ASEAN practice of non-interference, Malaysia stressed the importance of inclusivity and supported dialogue with all relevant conflict stakeholders, including Myanmar's opposition National Unity Government. This controversial stance by Malaysia reflected its belief that the crisis could not be resolved through engagement with the military authorities alone [Povera 2022].

In addition to the 5PC and seizing the opportunity to play a leading role in brokering peace, Malaysia also appointed its former senior diplomat Tan Sri Othman Hashim as ASEAN Chair's Special Envoy on Myanmar. His mandate is to widen consultations in search for solutions for the situation [ASEAN Secretariat 2025a]. Malaysia also supported ASEAN's continued

9. The 5PC calls for (1) an immediate cessation of violence, (2) constructive dialogue among all parties, (3) mediation by an ASEAN Special Envoy, (4) humanitarian assistance through the ASEAN Coordinating Centre for Humanitarian Assistance (AHA Centre), and (5) envoy access to all stakeholders [ASEAN Secretariat 2021].

decision to bar Myanmar's junta leaders from highlevel association meetings until tangible progress has been made [ASEAN Secretariat 2025a].

Due to the recent earthquakes in Myanmar, ASEAN's efforts have also focused on the humanitarian assistance. ASEAN delivered aid, conducted needs assessments, and coordinated largescale relief operations [ASEAN Secretariat 2025; *New Straits Times*, 2025, 31 March]. While humanitarian action would not resolve the political conflict, it has allowed ASEAN to maintain engagement with military authorities.

Meanwhile, Malaysia's push for a stronger regional action against the junta has been unsuccessful [Choong 2025].[10] For instance, Thailand, Cambodia, Laos and Vietnam resisted its call to reevaluate ASEAN's non-interference. China's involvement in the conflict,[11] currently acting as a broker, has further diminished Malaysia's role as a mediator and its centrality in regional diplomacy.

3.3. *Genocide in Gaza*

Malaysia's Chairmanship coincided with the prolonged humanitarian catastrophe in Gaza, enabling the country to project moral leadership beyond Southeast Asia while remaining anchored in ASEAN's consensusbased diplomacy.

Anwar used the chairmanship as an opportunity to further strengthen his political identity as a Muslim leader and Malaysia's position as a Muslim-majority nation. He described Gaza as a «test of shared humanity», arguing that silence in the face of mass civilian suffering would undermine international norms and moral credibility [*Bernama* 2025, 22 July]. In fact, within the context of the chairmanship, Anwar framed Gaza as a universal humanitarian and legal concern, integrating advocacy for Palestinian civilians into ASEAN deliberations and international forums [ASEAN Secretariat 2025b; *Malay Mail* 2025, 22 May].

Some analysts view Malaysia's Gaza diplomacy under Anwar as «principled leadership that places human dignity at the centre of foreign policy, even when doing so carries diplomatic costs» [Hassan 2025]. In that respect, Malaysia's stance on the issue has prompted a reflection on the role of a so-called middle power in international politics, especially illustrating a capacity to «inject moral clarity» into multilateral diplomacy [Kuik 2025].

10. ASEAN's FivePoint Consensus has yielded limited results, and the junta has failed to comply, limiting Malaysia's effectiveness.

11. Beijing, acting as a broker, facilitated dialogues and structured a 5-part roadmap which includes a special envoy visits and hosting talks to prevent further fighting.

4. *Conclusion*

Malaysia's 2025 ASEAN chairmanship shows how regional leadership can serve as both a resource and a drain for domestic political capital. By projecting the Madani framework onto ASEAN diplomacy, the Anwar administration sought to translate international visibility into space for political manoeuvre at home. This strategy enhanced Malaysia's global profile and reinforced the prime minister's image as a mediator and moral voice on humanitarian crises. However, the chairmanship's domestic dividends were uneven. Persistent concerns over living costs, corruption, coalition cohesion and inequalities limited public resonance, while controversies surrounding trade agreements and elite politics exposed contradictions between reformist rhetoric and pragmatic governance.

At the international level, initiatives on Myanmar, Gaza and the Thailand-Cambodia dispute showcased normative ambition but also revealed ASEAN's structural constraints and internal divisions. These challenges highlighted the fragility of consensus in an era of intensifying geopolitical rivalry.

The Malaysian case underscores that ASEAN chairmanships are politically fraught arenas shaped by domestic imperatives, societal expectations and regional pressures. The political capital generated through and used in foreign policy ultimately had to contend with government responses to structural inequalities, demands for institutional accountability and the ability to reconcile competing identity and economic demands within Malaysia's plural society.

Bibliography

Al Jazeera, 2025, 26 July, 'Malaysians protest rising living costs, demand PM Anwar Ibrahim step down'.

Armstrong, Shiro, 2025, 26 October, 'ASEAN leads response to the threat of global economic disorder', *East Asia Forum*.

ASEAN, n.d. 'ASEAN Chairmanship'. (https://asean.org/category/chairmanship/).

ASEAN Secretariat, 2021, *Chairman's Statement on the ASEAN Leaders' Meeting: Five-Point Consensus on Myanmar*. Jakarta.

ASEAN Secretariat, 2025a, *Chairman's Statement of the 46th ASEAN Summit*. Kuala Lumpur.

ASEAN Secretariat, 2025b, *ASEAN Chair's Statement on the Ceasefire Agreement between Israel and Hamas in Gaza*. Jakarta.

ASEAN Secretariat, 2025c, *SecretaryGeneral of ASEAN addresses aftermath of the earthquake in Myanmar and Thailand*.

Bangkok Post, 2025, 22 November, 'Thai Protesters Target Malaysian, US Embassies for Border Interference'.

Bedi, Rashvinjeet S., 2025, 19 December, 'Why is Malaysia ruling coalition party DAP making vocal demands on Anwar's government?', *Channel News Asia*.

Beng, Phar Kim, and Luthfy Hamzah, 2025, 11 November, 'Peace is not intervention: Why Anwar Ibrahim's mediation preserved Asean unity'. *Malay Mail*.

Bernama, 2024, 6 June, 'Malaysia to lead with MADANI principles as ASEAN Chair 2025 – PM'.

Bernama, 2025, 25 April, 'MADANI Concept Can Be Expanded To ASEAN Level – Jemilah'.

Borneo Post, 2025, 5 October, 'PM Anwar: Madani govt to host gathering for returning GSF volunteers'.

Caballero-Anthony, Mely, 2014, 'Understanding ASEAN's Centrality: Bases and Prospects in an Evolving Regional Architecture', The Pacific Review, 27 (4), pp. 563-584.

Channel News Asia, 2025, 25 July, 'KL police gear up for anti-PM Anwar protest on Jul 26'.

Chai, James, 2025, 12 December, 'DAP's wipeout cannot be explained by 'Sabah for Sabahans' sentiment alone', *Channel News Asia*.

Choong, Pui Yee, 2025, 27 February, 'Malaysia's Chairmanship of ASEAN: Between Continuation and Adaptation of the Myanmar Crisis', S. Rajaratnam School of International Studies (RSIS).

Focus Malaysia, 2025, 'Opposition berates shameless Madani for scarring nation's pride with lopsided US-Malaysia ART'.

French, Richard D., 2011, 'Political Capital'. *Representation: Journal of Representative Democracy*, 47(2), pp. 215-230.

Gerstl, Alfred, 2024, 12 August, 'Southeast Asia's Grand Strategy: Hedging', Georgetown Journal of International Affairs.

Hassan, Azmi, 2025, 3 February, 'Malaysia Sends Strong Signal to Global Community with Gaza Reconstruction Plans', The Malaysian Reserve.

Hassan, Hafiz, 2025, 17 December, 'Let's not allow the ART between Malaysia and US continue to be polarising', *MalayMail*.

Heiduk, Felix, & Nora Hell, 2025, The ASEAN Summit 2025 – More Than Just a Stage for Trump, SWP Comment 2025/C 48, Berlin: Stiftung Wissenschaft und Politik.

Hunter, Murray, 2025, 21 December, 'US-Malaysia Reciprocal Trade Agreement Keeps Bringing Criticisms For Different Reasons', *Eurasia Review*.

Justice for Myanmar, 2025, 21 May, 'Press Release'.

Hutt, David, 2023, 13 July, 'The Danger of US-China Hedging in Southeast Asia', *Asia Times*.

Iskandar, Iylia Marsya, Qistina Sallehuddin, Amalia Azmi, and Mohamad Al As, 2025, 28 October, 'Anwar: Malaysia able to engage with all nations due to central stance', *New Straits Times*.

Kuik, Cheng-Chwee, 2020, 'Structural Sources of Malaysia's South China Sea Policy', Australian Journal of International Affairs, 75 (1), pp. 1-19.

Lee, Grace, 2025, 'International and Domestic Influences on Malaysia's Refugee Policy: A

Case Study of the Rohingya'*ASEAN Outlook*, 30 Edition, Taiwan ASEAN Studies Center.

Mahmud, Aqil Haziq, and Izzah Aqilah Norman, 2025, 29 November, 'Sabah election: GRS leader Hajiji Noor sworn in as Chief Minister after incumbent ruling pact beat opposition', *Channel News Asia*.

Malay Mail, 2025, 22 May, 'Anwar to Highlight Gaza Crisis at ASEAN Leaders' Retreat'.

for ASEAN to Collectively Discuss Tariff with US'.

Malhi, Amrita, 2025, 11 April, 'The Narrative Battle for Malay Muslim Support: PAS' Exclusivist Dominance vs Madani's Administrative Tactics', *ISEAS Perspective*. 20.

Mangiarotti, Emanuela, 2024, 'Malaysia 2023: A Reform Agenda Overshadowed by Identity Politics', *Asia Maior*, XXXIV/2023, pp. 187-202.

Mangiarotti, Emanuela, and Marshelayanti Mohd Razali, 2025, 'Malaysia 2024: Trials and Trajectories of Anwar Ibrahim's Political Leadership', *Asia Maior*, XXXV/2024, pp. 233-248.

Ministry of Foreign Affairs Malaysia, 2023, 10 February, *Malaysia remains firm in supporting the ASEAN FivePoint Consensus for peaceful and sustainable solution to the Myanmar situation*.

Ministry of Foreign Affairs Malaysia, 2024, Malaysia Strongly Denounces Israel's Airstrike on Ops Ihsan's Humanitarian Assistance in AlNuseirat Camp, Gaza.

Ministry of Foreign Affairs of Malaysia, 2024, 22 October, Launching Ceremony of the Logo and Theme of ASEAN-Malaysia Chairmanship 2025.

Ministry of Foreign Affairs Malaysia, 2025, 6 November, Remarks by Deputy Foreign Minister Mohamad Alamin on Ops Ihsan's Humanitarian Coordination for Gaza.

Musa, Mohd Faizal, 2024, April, 'Malaysia's Response to Issues Pertaining to Palestine', *ISEAS: Trends in Southeast Asia*,13.

New Straits Times, 2025, 16 November, 'Anwar tells Sabah voters to choose candidates on performance, not race'.

New Straits Times, 2025, 31 March, '*Asean to step up aid to Myanmar after devastating quake*'.

Nixon, Stewart, 2025, 6 December, 'The ART of the deal lost in US-Malaysia pact', *East Asia Forum*.

Politico, 2025, 6 October, *Trump seeks peace ceremony spotlight at ASEAN summit*.

Povera, Adib, 2022, 'MAG backs Malaysia's call to engage all stakeholders in Myanmar', *News Straits Times*.

Puyok, Arnold, 2025, 18 December, 'Political Storm in Sabah: Can Hajiji Noor and GRS Survive the Scandal?', *FULCRUM: Analysis on Southeast Asia*, 372.

Shukri, Syaza, 2025, 'PAS' «Civilisational Outrage» at the US Rings Hollow When China Gets a Pass' *FULCRUM: Analysis on Southeast Asia*, 369.

Shukri, Syaza, 2026, 'The UEC Debate Reawakens Identity Discourse', *FULCRUM: Analysis on Southeast Asia*, 12.

Shukri, Syaza and Hassan Isyraf, 2025, 'Anwar Ibrahim's Civilisational Populism: The Gaza War and Malaysia', *JPS: Journal of Populism Studies*, pp. 1-26.

South China Morning Post, 2025, 24 May, Malaysia's Anwar under pressure to ditch airport deal with BlackRock entity over Israel arms links'.

South China Morning Post, 2025, 2 October, 'Anwar's Trump Card: Why Malaysia Wants US President at ASEAN Summit'.

Tan, Ben, 2025, 24 May, 'Chosen by members: Anwar rejects nepotism claims over Nurul Izzah's PKR deputy president win', *MalayMail*.

Tang, Ashley, 2025, 31 December, 'Malaysia activists renew reform calls after ex-PM Najib jailed for 1MDB scandal', *Reuters*.

The Star, 2025, 6 November, 'Govt Working with NGOs to Get Aid to Gaza, Says Wisma Putra'.

The Star, 2025, 29 December, 'Malaysia's Asean chairmanship strengthened regional unity amid global uncertainty, says Anwar'.
The Strait Times, 2025, 28 June, 'Malaysian PM Anwar defends US fund manager BlackRock in face of Israel protests'.
The Vibes, 2026, 5 February, 'Malaysia-US ART Pending Enforcement as Government Reviews Key Clauses'.
Walker, Tommy, 2025, 25 October, 'Malaysia: Can ASEAN summit deliver regional peace?' *DW In* Focus.
Weiss, Meredith L., 2024, 'Wither Institutional Reform in Malaysia?', *ISEAS Perspective*, 50.
Yusof, Amir, 2025, 23 October, 'Protests planned in KL against Trump's presence at ASEAN Summit unlikely to derail Anwar's agenda, say analysts', *Channel News Asia*.

Indonesia 2025: The «Red-and-White» project and the consolidation of executive dominance

Teuku Reza Fadeli

Department of History, Universitas Indonesia
teukureza@ui.ac.id

Throughout 2025, Indonesia underwent a significant structural shift under the nationalist «Red-and-White» agenda, marking the dissolution of earlier narratives regarding a «proxy» administration. This article analyzes how the executive transition evolved into a model of strictly centralized governance, where power was consolidated through the creation of a new institutional architecture, such as Daya Anagata Nusantara (Danantara) and the National Nutrition Agency (Badan Gizi Nasional, BGN), which placed policy execution directly under the presidential chain of command. Politically, 2025 was characterized by the formation of a «hyper-coalition» that engaged in the «total absorption» of opposition forces, thereby reconfiguring the legislative function from adversarial scrutiny into a space for elite accommodation. The core of this governance is rooted in the doctrine of «national resilience» (ketahanan nasional), a New Order legacy revived to legitimize the blurring of boundaries between civilian and security domains, symbolically reflected in the militaristic retreat at Magelang. Simultaneously, the state reinforced a «legalized architecture of control» through the implementation of the new Criminal Code and administrative moderation to discipline the digital sphere and public criticism. Macroeconomically, Indonesia entered a condition described as «stable, but stuck», where stability produced through administrative intervention successfully dampened social resistance while ignoring structural vulnerabilities such as labour precarity and a thinning middle class. In the global arena, the «free and active» foreign policy was translated into a strategy of transactional «multi-alignment», notably through the pursuit of BRICS membership. The article concludes that while this model delivers short-term stability, its durability in 2026 will be tested by the material consequences of expansive populist spending amidst a narrowing fiscal horizon.

Keywords – Indonesia; Prabowo Subianto; «Red-and-White»; national resilience; executive centralization; «hyper-coalition»; Danantara; democratic decline.

1. *Introduction. What 2025 clarifies about Indonesia's trajectory?*

The first year of Prabowo Subianto's presidency offers a vantage point from which Indonesia's recent political trajectory becomes more legible. In 2025, developments clarify an ongoing reconfiguration of the post-Reformasi order, in which executive authority expands through coalition absorption,

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

institutional reorganisation, and the selective revival of earlier governing vocabularies. This article argues that the consolidation observed in 2025 rests on two interrelated mechanisms. First, the reallocation of state resources through increasingly centralised and weakly supervised channels sustains elite cohesion while narrowing effective accountability. Second, the management of public discourse, particularly in the digital sphere, seeks to stabilise this arrangement by shaping how dissent is framed and circulated. Read in this way, 2025 records a transition of power while also exposing the operating logic of a political formation that combines formal democratic continuity with a tightening architecture of control.

The political texture of 2025 cannot be understood without accounting for the scale and recurrence of mass mobilisation. Across the year, Indonesia experienced at least twelve major demonstrations involving students, labour unions, civil society organisations, and sectoral movements, addressing demands that ranged from labour protection and welfare governance to environmental justice, land rights, policing, and democratic accountability [*CNBC Indonesia* 2025, 2 September; *CNBC Indonesia* 2025, 7 September]. These actions were not confined to episodic protest moments or single-issue campaigns. Instead, they formed a cumulative pattern of contention that unfolded alongside executive consolidation, signalling a widening gap between institutional politics and popular grievance. The recurrence of demonstrations across Jakarta and major provincial cities suggests that public dissent in 2025 functioned less as an anomaly to stability than as a persistent undercurrent accompanying it, one that reveals the social limits of a model of consolidation built on centralised decision-making and constrained channels of accountability.

Within this cycle of mobilisation, the symbolic condensation of protest around «17+8» acquired particular resonance. Emerging from demonstrations staged around Independence Day in August, the formulation linked the nationalist symbolism of 17 August with a set of eight core popular demands articulated by protest organisers, ranging from labour security and the rejection of coercive legislation to opposition against the militarisation of civilian governance and extractive development projects. The phrase circulated as a shorthand for discontent that explicitly refused to separate national celebration from political accountability. Rather than expressing rejection of the state as such, the 17+8 frame reasserted a claim over the meaning of independence itself as well as recoding it as unfinished and conditional. The twelve major demonstrations recorded across 2025, this mobilisation pattern stresses a central tension of the year: executive authority consolidated under conditions of macroeconomic and political stability, while social pressure accumulated outside institutional channels, increasingly articulated through the language of rights, welfare, and democratic restraint, even as the institutional capacity to respond to them was narrowed by centralised control over policy, resources, and public communication.

The sections that follow examine how this configuration takes shape across executive politics, institutional restructuring, economic governance, and the management of information, with particular attention to the ways in which consolidation is sustained and contested.

2. *Beyond the proxy narrative*

The events of 2025 make it possible to identify the structural shifts beneath Indonesia's executive transition with greater clarity than the inauguration itself. In late 2024 and early 2025, many observers framed President Prabowo Subianto's assumption of office as a continuation of the Joko Widodo (Jokowi) era through a «proxy» administration, supposedly guaranteed by the elevation of Jokowi's son, Gibran Rakabuming Raka, to the vice-presidency. That reading rested on a narrow institutional inference: that the vice-president's lineage would translate into the former president's continuing command of the executive. Yet the public politics of 2025 point to a more consequential settlement. Prabowo has sought to neutralize the «puppet» claim while simultaneously drawing on Jokowi's symbolic capital in ways that consolidate his own authority. This choreography addresses a political vocabulary deeply rooted in the imagery of the shadow play, where the roles of the puppet-master (*dhalang*) and puppet (*wayangnya*) serve as foundational metaphors for the manipulation of power and rivalrous conflict (Anderson 2006, p. 149).

This is clearest in Prabowo's unusually direct rebuttal of the *presiden boneka* (puppet president) charge in a plenary cabinet meeting on 5 May 2025: «*Saya dibilang… presiden boneka… seolah Pak Jokowi tiap malam telepon saya, saya katakan itu tidak benar*» («I am called a puppet president… as if Mr Jokowi calls me every night; I say that is not true») [*Kompas* 2025, 6 May]. He framed ongoing consultation with Jokowi, and with other former presidents, as a matter of statesmanship rather than subordination. At the same time, he has deliberately staged Jokowi's presence around state projects and public ceremonies, even instructing aides that former presidents should be invited when inaugurating programmes associated with their legacies [*Kompas* 2025, 6 May]. The performance is double-edged: it denies informal "twin suns" (*matahari kembar*) politics while embedding Jokowi within a choreography that places Prabowo at the centre. Jokowi's influence in 2025 appears to be moving from executive control to post-presidential mobilization. In September 2025, he stated that he had, "from the start", «instructed volunteer networks (*relawan*) to support Prabowo-Gibran for two terms, presenting continuity as a political project to be guarded (*dikawal*) beyond a single electoral cycle» [*Kumparan* 2025, 19 September]. The implication is not that Prabowo lacks agency, but that the post-Jokowi apparatus is being reorganized into an external support structure whose currency lies in

endorsements, networks, and legitimacy claims. These are assets that can reinforce a sitting president while remaining a potential source of pressure.

This shift matters because the governing idiom Prabowo has promoted in 2025 departs from developmental pragmatism in favour of a security-centred nationalism anchored in «national resilience» (*ketahanan nasional*), a doctrine that frames resilience as a comprehensive national capacity against threats. Scholarly work associated with Lemhannas emphasizes that the concept has historically expanded alongside the perceived scope of threats and is positioned as a strategic frame for the 2025-2045 long-term development agenda [Simanjuntak et al. 2024]. In parallel, Prabowo's own state messaging has repeatedly cast defence capacity as the precondition of sovereignty and welfare, explicitly grounding this priority in constitutional language [Sekretariat Negara Republik Indonesia 2025, 7 February]. The "proxy" thesis thus becomes less useful over the course of 2025: it obscures how the presidency is consolidating symbolic authority, reordering coalitional dependence, and legitimizing a more security-forward understanding of state purpose – developments that exceed custodianship.

While the political choreography of the presidency suggests a move beyond the proxy narrative, the most consequential institutional departure from the governing logic of the late Jokowi era is the creation of Daya Anagata Nusantara (Danantara). It was established on 24 February 2025 through the near-simultaneous enactment of three legal instruments signed by President Prabowo Subianto at the State Palace: Law No. 1/2025, amending the 2003 State-Owned Enterprises (SOEs) Law; Government Regulation (PP) No. 10/2025 on Danantara's organization and governance; and Presidential Decree No. 30/2025 appointing its supervisory and executive leadership [Sekretariat Negara Republik Indonesia 2025, 24 February]. The speed and concentration of these acts suggest that Danantara was designed as a foundational institution of the new presidency, rather than as an incremental adjustment to SOE policy. PP No. 10/2025 defines Danantara as "a body that carries out government tasks in the field of state-owned enterprise management" (*badan yang melaksanakan tugas pemerintah di bidang pengelolaan BUMN*) (Article 1(3)). Its authority is split between a Supervisory Board (*Dewan Pengawas*) and an Executive Body (*Badan Pelaksana*), both appointed and dismissed by the president. Key functions – including approval of annual work plans, capital adjustments, and key performance indicators – are subject to presidential consent (Article 7) [*CNBC Indonesia* 2025, 4 March]. The effect is to move strategic economic coordination away from routine ministerial bargaining and to locate it within a chain of command that culminates at the presidential centre. President Prabowo presented this centralization in strategic terms. On 17 February 2025, he described Danantara as a "*konsolidasi semua kekuatan ekonomi kita yang ada di pengelolaan BUMN*" ("the consolidation of all our economic strengths currently managed within SOEs") [Kementerian Sekretariat Negara Republik Indonesia,

2025, 17 February]. At the fund's launch, he argued that Danantara would manage assets belonging to "*anak dan cucu kita*" ("our children and grandchildren") and therefore "*harus bisa diaudit setiap saat oleh siapapun*" ("must be auditable at any time by anyone") [*BBC Indonesia* 2025, 19 February]. In this framing, economic governance is presented less as sectoral management than as an instrument of long-term stewardship and sovereignty.

Institutionally, Danantara should be read against a political economy in which access to state resources is routinely mediated through informal networks rather than programmatic party structures. Aspinall and Berenschot argue that post-Suharto electoral competition is saturated by clientelism, where political support is assembled through the everyday practices of vote buying, influence peddling, the manipulation of government programmes, and the extraction of rents from public projects, with religion, kinship, and local identities shaping how these exchanges operate on the ground [Aspinall and Berenschot 2018]. This pattern is reinforced by the weak mobilizational capacity of parties, a constraint linked to New Order legacies. Candidates often compensate by building their own campaign machines (*tim sukses*), which depend on ties to local brokers such as religious leaders, business actors, and bureaucrats. In this setting, pledges of privileged access to state resources – jobs, licences, contracts – become central to sustaining campaign organizations and rewarding supporters [Berenschot 2018]. Danantara alters the institutional terrain within which these practices unfold by concentrating ownership, investment authority, and strategic direction in a single entity whose leadership is appointed by, and answerable directly to, the president. In a patronage democracy where control over state assets is politically convertible, such centralization is likely to increase the value of the presidential centre as a gatekeeper over economic opportunity. Such institutional shifts echo earlier patterns of oligarchic reorganisation, where the centralisation of power and wealth enabled the executive to triumph in conflicts over rents and the strategic regulation of markets (Robison and Hadiz 2004, p. 86). How this authority is likely to be exercised becomes clearer when considering the sectors prioritized for early investment. At the launch, Prabowo stated that initial funding would target mineral downstreaming (*hilirisasi*, mandated domestic processing of raw materials), oil refining, petrochemicals, food production, aquaculture, and energy projects [*BBC Indonesia* 2025, 19 February]. Subsequent reporting indicates that several of these priorities overlap with projects already designated as *Proyek Strategis Nasional* (National Strategic Project or PSN), including nickel processing facilities and coal-based energy infrastructure [*CNBC Indonesia* 2025, 4 March].

Environmental organizations and policy critics have questioned this investment logic. Trend Asia has warned that prioritizing coal gasification (*gasifikasi batubara*) and continued mineral extraction risks locking Indonesia into carbon-intensive pathways at a time when renewable deployment

remains limited [BBC Indonesia 2025, 19 February]. Economists at CELIOS have raised a related concern: that extractive megaprojects tend to generate limited employment gains while pushing social and ecological costs onto affected communities [Bhima Yudhistira, quoted in *BBC Indonesia* 2025, 19 February]. The nickel sector brings these tensions into sharper relief. In late May 2025, Danantara and the Indonesia Investment Authority (INA) announced a strategic partnership with Eramet to support nickel downstreaming [INA 2025, 28 May; *Jakarta Globe* 2025, 28 May]. This sits uneasily alongside public scrutiny of the environmental and rights impacts associated with nickel expansion in eastern Indonesia. Weda Bay, Halmahera, has been linked in reporting and advocacy documentation to deforestation pressures and to the displacement risks faced by the O'Hongana Manyawa, an indigenous nomadic community [*BBC Indonesia* 2024, 1 August; Survival International 2024, 25 November]. Norway's Government Pension Fund Global, acting on a recommendation from its Council on Ethics, decided in 2025 to exclude companies linked to Eramet's nickel operations from its investment universe, citing serious environmental damage and violations of indigenous rights [NBIM 2025, 12 September].

Governance risks are compounded by Indonesia's recent record of corruption in state-owned enterprises. Indonesia Corruption Watch reports that between 2016 and 2023 there were at least 212 corruption cases involving SOEs, with estimated state losses of Rp 64 trillion [Indonesia Corruption Watch 2024]. The organization has also warned that consolidating assets under Danantara, alongside revised oversight provisions in the amended SOE Law, could weaken audit independence and magnify systemic vulnerabilities [Indonesia Corruption Watch, quoted in *BBC Indonesia* 2025, 19 February]. This pattern points to Danantara operating less as a conventional sovereign wealth fund at arm's length from the executive and more as a vehicle for strategic direction. Its role in financing PSN, including projects that are extractive, land-intensive, and politically contested, increases the presidency's capacity to sustain a particular development model despite rising environmental, social, and reputational costs. Danantara therefore constitutes an institutional rupture because it centralizes economic authority and embeds that authority within a presidency that treats large-scale extractive development as a core component of *ketahanan nasional*. Economic consolidation under Danantara aligns with a broader shift towards executive-led strategic governance, where growth, security, and sovereignty are pursued through direct control over capital allocation.

The institutional centralization represented by Danantara facilitates a deeper conceptual shift where the analytical limits of policy continuity become apparent as downstreaming is examined through the lens of security doctrine. Under the Jokowi administrations, downstreaming was framed primarily as an economic instrument. Official explanations stressed value addition, employment creation, export upgrading, and reduced reliance on

raw commodity exports; media coverage of smelter development similarly presented the policy as a means to raise GDP, increase state revenues, and stimulate downstream industries across mining and related sectors [Marta 2024, 26 September]. Under President Prabowo Subianto, the emphasis shifts. Downstreaming is increasingly articulated as a pillar of *ketahanan nasional*, rather than as a sectoral development strategy. Historically, *ketahanan nasional* emerged as a New Order (1966-98) doctrine that treated economic resources, infrastructure, and social organization as integrated components of national defence. This framework draws upon the New Order's *Staatsidee* of integralism, an ideology of the «organic state» that historically positioned social and political organization as an inseparable whole under state authority (Bourchier 2015, pp. 2-3). As Fibiger shows, the concept combined authoritarian developmentalism with a depoliticized vision of social cohesion and was later extended in ASEAN discourse as «regional resilience» [Fibiger 2023, 12]. Its contemporary redeployment in economic policy is analytically consequential: it signals a reassertion of security reasoning in domains that had previously been governed in largely technocratic economic terms.

The doctrinal roots of this securitized register can be traced to *Sistem Pertahanan dan Keamanan Rakyat Semesta* (Sishankamrata, «Total People's Defence and Security System»). Sishankamrata has long been understood as a framework for mobilizing national resources in the service of defence. At the same time, they argue that its inward orientation and fragmented implementation limit Indonesia's capacity to respond effectively to contemporary challenges such as regional power competition and the demands of modern warfare [Daneswara and Nasution 2025, 357-382].

Legal and constitutional scholarship underscores how deeply this integration is embedded. Reza situates Sishankamrata within Indonesia's constitutional and ideological trajectory and argues that "total people's defence" doctrines have, in practice, legitimated the extension of military influence into civilian arenas, including the creation of state-sponsored militias – developments that carried recurring risks for civil liberties and human rights [Reza 2017, 156-158]. Even in post-authoritarian Indonesia, this legacy helps explain why securitized vocabularies continue to blur the boundary between development policy and security governance. This blurring is especially visible in the policy treatment of critical minerals. The Ministry of Energy and Mineral Resources designated 47 types of «critical minerals» in 2023, defining them as essential to the national economy and to national defence and security», exposed to supply disruption, and lacking viable substitutes. President Prabowo, in establishing the Mineral Industry Agency (MIA) in August, framed critical minerals as resources that must be both «used and preserved» because of their strategic importance to the defence sector. The appointment of the minister of defence as chair of the MIA advisory board embeds mineral policy institutionally within the defence appa-

ratus [Triantama 2026, 8 January]. Within this framework, downstreaming is no longer justified primarily as industrial upgrading. It is recoded as a means of securing strategic autonomy in defence production, reducing exposure to external pressure, and strengthening national self-reliance amid technological decoupling and intensifying great-power competition [Triantama 2026, 8 January]. This geo-economic logic is reinforced by Prabowo's public portrayal of a more hostile international environment – marked by war, conflict, and proliferating tariff regimes – which he argues demands calm but coordinated national responses [Yanwardhana 2025, 6 August].

The implications of this recoding are substantial. Once downstreaming is folded into *ketahanan nasional*, industrial strategy can be presented as an extension of national defence. That move elevates selected projects above routine policy debate and reduces the space for civilian contestation – an effect that echoes how *ketahanan nasional* functioned as an organizing doctrine under the New Order [Fibiger 2023; Reza 2017]. On this reading, continuity lies in the instrument rather than in the governing logic: downstreaming persists, but its justificatory frame shifts from economic competitiveness towards a securitized language of national survival [Marta 2024, 26 September; Triantama 2026, 8 January; Yanwardhana 2025, 6 August]. This recalibration of internal development strategies is mirrored in a parallel narrowing of Indonesia's foreign policy. In early 2025, the government formally pursued membership in the BRICS grouping, a move that altered the operational meaning of Indonesia's long-standing *bebas aktif* ("free and active") doctrine. Historically, *bebas aktif* was articulated by Mohammad Hatta in 1948 as a strategy of strategic equidistance, intended to preserve autonomy by avoiding entanglement in great-power rivalry. This doctrine, famously characterised by Mohammad Hatta as *Mendayung Antara Dua Karang* ("Rowing Between Two Reefs") established a principled framework for non-alignment that prioritized national autonomy during the early stages of the Cold War (Leifer 1983, p. 20). In his speech, Hatta rejected alignment with either the United States or the Soviet Union, arguing that Indonesia's security depended on maintaining room for manoeuvre rather than joining "*perdjoangan kedua raksasa besar*" ("the struggle of two great giants") [Hatta 1948, 32-33]. The doctrine thus functioned as a normative restraint and alignment was avoided as a matter of principle, rather than treated as a tactical option.

Indonesia's 2025 turn towards BRICS does not discard *bebas aktif*, but it narrows its scope. Alignment is no longer treated as inherently undesirable; it is assessed instrumentally against anticipated economic and strategic returns. This logic is visible in official justifications that present BRICS participation as a means to expand Indonesia's autonomy rather than to compromise it. The Ministry of Foreign Affairs has framed engagement with BRICS to "actively shape norms" while maintaining independence, arguing that participation remains compatible with *bebas aktif* because

Indonesia does not bind itself to any single camp [*BBC Indonesia 2025*, 17 January]. This reinterpretation, however, generates acute pressures, particularly in Indonesia's relations with the United States. Reporting on Indonesia's BRICS move highlights the geopolitical risks of closer association with a bloc widely perceived as challenging Western economic dominance. Analysts interviewed by BBC News Indonesia warned that membership could place Indonesia in a structurally disadvantageous position under a second Trump administration, given explicit threats of punitive tariffs against BRICS countries accused of undermining the US dollar [BBC Indonesia 2025, 20 January]. In this context, *bebas aktif* shifts from principled non-alignment towards managed exposure and Indonesia accepts the risks of partial alignment in exchange for perceived strategic leverage. This narrowing is also visible in Indonesia's maritime diplomacy. Joint statements issued with China in 2024-2025 referring to "*klaim yang tumpang tindih*" ("overlapping claims") in disputed waters provoked controversy because they appeared to soften Indonesia's long-standing position as a non-claimant state in the South China Sea under international law. The proposals for joint development risk conceding legal ground to China's maritime claims, even when framed in pragmatic economic terms. The logic underlying these initiatives reflects a readiness to trade juridical clarity for short-term diplomatic or economic gains, recalibrating Indonesia's traditional insistence on legal distance from claimant disputes [Darmawan 2025, 31 May].

The personalization of diplomacy under President Prabowo further sharpens this shift. Since his inauguration, Prabowo has relied heavily on summit diplomacy, undertaking an unusually dense schedule of bilateral and multilateral engagements and dealing directly with major powers. Within six months, Indonesia emerged as one of Southeast Asia's most active diplomatic actors, driven by what observers described as a «diplomatic charm offensive» aimed at securing a larger global profile. In a single week in April 2025, Indonesia became China's first two-plus-two dialogue partner, intensified engagement with Russia, and Prabowo undertook a tour of five Middle Eastern countries [King 2025, 5 May].Summit diplomacy has produced tangible results, including movement on the Indonesia-EU Comprehensive Economic Partnership Agreement and tariff-related progress in trade talks with the United States. It has also generated missteps, among them controversial initiatives on maritime cooperation with China and proposals related to Gaza that lacked clear institutional backing [Sugiono 2025, 6 August]. The prominence of leader-to-leader engagement marks a more assertive and personalized foreign policy style, departing from the procedural restraint traditionally associated with *bebas aktif*. These developments indicate that Indonesia's foreign policy is undergoing reinterpretation rather than abandonment of its foundational doctrine. *Bebas aktif* no longer operates chiefly as a normative barrier against alignment; it functions instead as a flexible mandate for selective engagement. The

pursuit of BRICS membership, adjustments in maritime diplomacy, and the reliance on summit-driven initiatives point to a foreign policy that prioritizes strategic positioning and immediate gains over doctrinal distance. In this sense, «free and active» is narrowed rather than discarded, recast as an instrument for navigating a fragmented international order rather than as a principled refusal to choose sides.

Underpinning these shifts in institutional structure and strategic doctrine is a macroeconomic landscape that stands out in 2025 less as a year of acceleration than as one of managed stability. Official data show that the economy expanded by 5.04 per cent year-on-year in the third quarter of 2025, with growth disproportionately supported by the external sector. Exports of goods and services rose by 9.91 per cent, while the trade balance recorded a surplus of USD 5.49 billion by August [BPS 2025, 5 November]. This configuration of export-led growth alongside subdued domestic demand has insulated the economy from short-term shocks and provided a buffer for political and institutional consolidation. Indonesia has entered a condition best described as stable, but stuck: a macroeconomic equilibrium in which fiscal and monetary tools remain active but operate at cross-purposes. Since the pandemic, fiscal policy has remained expansionary, with public spending sustaining infrastructure programmes and politically salient initiatives such as energy subsidies and free school meals. Budget deficits have hovered around 2.5-3 per cent of GDP, financed largely through the issuance of government bonds (SBN). Bank Indonesia (BI), in turn, has absorbed a substantial share of this issuance, holding over Rp 1,600 trillion in SBN by March 2025 – around 8 per cent of GDP [Friawan 2025]. This fiscal impetus has been offset by monetary restraint. BI has maintained a relatively tight stance, keeping policy rates high and sterilising liquidity through reverse repos and other central bank instruments. Rather than amplifying demand, these measures prioritize exchange-rate stability, inflation control, and market credibility. The result is a stabilizing configuration that limits domestic traction: public spending props up activity, while tight monetary conditions weaken the transmission to household consumption and private investment. Growth continues, but in a low-momentum register; liquidity remains available yet circulates cautiously through the real economy.

This macroeconomic configuration has important political consequences. Stability, even when shallow, functions as an enabling condition for executive consolidation. Export earnings, trade surpluses, and subdued inflation reduce immediate distributive pressures, allowing the administration to pursue institutional restructuring without triggering acute economic contestation. In this sense, macroeconomic management in 2025 has not generated expansionary transformation, but it has bought time. The interaction between stability and power becomes clearer when set alongside Indonesia's evolving political economy, and the executive aggrandizement in

Indonesia has often advanced through negotiated accommodation among political elites rather than through crisis [Mietzner 2025]. Under conditions of relative economic calm, elites are more willing to tolerate centralization so long as their core interests are protected. Stability lowers the cost of acquiescence. It allows authority to be consolidated incrementally while preserving a formal democratic shell. At the same time, stability constrains ambition. The elite collusion has also placed limits on executive power, deterring overt constitutional rupture or full authoritarian closure [Mietzner 2025]. This countervailing dynamic is mirrored in the macroeconomic sphere. BI's continued insistence on independence and sterilization signals a refusal to subordinate monetary policy fully to fiscal priorities. Protecting central bank credibility has anchored expectations and reassured markets, but it has also capped the growth impulse and exposed the absence of strategic coordination [Friawan 2025].

Recent political developments suggest that this equilibrium is becoming more fragile. Assessments of the Prabowo administration's first year point to growing dismissiveness towards civil society, weakened opposition, and the narrowing of oversight institutions [Fathana 2025]. Yet these shifts have unfolded without dramatic economic rupture. Protest is managed primarily through narrative control rather than overt repression, while fiscal trade-offs – such as reallocating education funds to finance flagship programmes – are justified in technocratic terms. Stability absorbs discontent even as it narrows channels for contestation. This dynamic also helps explain the administration's reliance on executive instruments such as Presidential Instructions (*Instruksi Presiden*, Inpres). The issuance of Inpres No. 9/2025 to accelerate the formation of "Red and White" Village Cooperatives illustrates how macroeconomic calm enables policy speed and top-down implementation [Sekretariat Kabinet Republik Indonesia 2025, 29 September]. Rural economic incorporation is framed as empowerment, but institutionally it tightens the linkage between local livelihoods and the central state's nationalist agenda. In the absence of macroeconomic calm, such rapid territorialization of policy would carry higher political risk. Methodologically, 2025 therefore reads as a threshold year defined less by crisis or boom than by consolidation under constrained growth. The administration appears less preoccupied with the performance of consensus than with building executive capacity while the economy remains stable enough to mute resistance. The principal check on this trajectory is fiscal. Prolonged reliance on BI to stabilize government financing risks blurring fiscal-monetary boundaries and reviving concerns about fiscal dominance [Friawan 2025]. If growth falters or confidence erodes, the same stability that enables consolidation may become a liability. Macroeconomic stability in 2025 reduces friction, allowing executive consolidation to proceed in a low-growth equilibrium where authority expands because stagnation remains orderly.

3. *Executive politics and coalition management*

The political landscape of 2025 has been shaped by the consolidation of a hyper-coalition that has altered the relationship between executive power and legislative authority. Under President Prabowo Subianto, coalition-building has taken the form of total absorption: opposition forces are not merely defeated in parliamentary votes but drawn into the executive's patronage architecture. The effect is to narrow the room for the People's Representative Council (DPR) to operate as an autonomous site of scrutiny. In this setting, the Red and White Cabinet is more than an enlarged governing team; it functions as an instrument for shifting political negotiation away from open parliamentary contestation and into executive management, where deals are concluded out of public view and discipline is maintained through access to state resources. One immediate consequence is the erosion of parliamentary oversight as a routine practice. Reflecting on the first year of the Prabowo-Gibran administration, contemporary commentary has described executive-legislative relations as resting on political compliance rather than a working balance of power. In this reading, the DPR's legislative and oversight roles increasingly function to legitimize executive initiatives instead of constraining them, as parliamentary parties tend to align with government direction with little substantive debate [Avisena 2025, 10 October]. The point, however, is not that contestation has vanished. It has been reorganized. When most parties are incorporated into the executive orbit, disagreement tends to be managed within the coalition rather than staged publicly through parliamentary procedure.

This pattern is consistent with Dan Slater's analysis of party cartelisation, in which presidents practice promiscuous power-sharing – remaining open to sharing executive authority with any significant party after elections – thereby rendering opposition contingent, fragile, and, in extreme cases, extinguishable [Slater 2018]. Slater's framework helps explain why a «fat cabinet» can be politically rational for presidents. Expanding the coalition does not necessarily dilute presidential power; it can reduce the leverage of each party by forcing patronage claims to be shared among more actors while the president retains agenda control. In such a setting, what appears as power-sharing can operate as a mechanism of executive dominance, because it blurs the boundaries of opposition for voters and weakens parliament's incentives to scrutinize government policy. Politicians compete through the distribution of small projects, cash, and goods; campaign finance is raised through the trading of permits and contracts; and *tim sukses* and personal networks often matter more than party organizations [Aspinall and Berenschot 2018]. An expanded cabinet becomes a central node in this exchange system, tying elites to the executive through tangible stakes. When incorporation into the executive becomes the main route to resources and protection, the DPR's oversight role is reshaped, because

many legislators are embedded in the same ecosystem they are expected to regulate. The democratic risk is therefore institutional rather than episodic. Once opposition is absorbed and oversight becomes compliance, the DPR ceases to operate as an arena for adversarial accountability and instead functions as a transmission belt for executive priorities, a concern captured in contemporary commentary that portrays parliament as «willing to be used» and thus enabling a presidency to face «no obstacles» in realizing its agenda [Avisena 2025, 10 October]. Under these conditions, the locus of political contestation shifts. It is no longer organized primarily as government versus opposition, but as competition among insiders for access, portfolios, and rents – an intra-elite bargaining equilibrium that Slater identifies as hostile to «vertical accountability» between voters and politicians [Slater 2018].The reorganisation of political competition has direct implications for how state resources are allocated and controlled. As coalition incorporation expands, access to ministries, agencies, and state-owned enterprises becomes the primary channel through which political actors secure both influence and material returns. Institutional expansion, including the proliferation of new agencies and taskforces, does not simply reflect administrative preference; it multiplies sites through which budgets, procurement, and contracts can be distributed. In this setting, rent allocation is not an unintended by-product but an organising principle of coalition maintenance. Executive consolidation therefore reorders the hierarchy of access to the state: actors positioned closer to the presidency gain privileged entry to fiscal flows and policy instruments, while those outside the executive orbit face diminishing capacity to compete. The erosion of oversight intensifies this pattern, as the same actors who benefit from allocation mechanisms are embedded within institutions formally tasked with scrutiny. What emerges is a system in which political stability is sustained through controlled distribution, with executive authority, resource allocation, and compliance becoming more tightly linked.

This coalition architecture also shapes the feasibility of institutional rollback, because control over political incorporation is matched by control over the distribution of resources that sustains it. *Tempo's* editorial on President Prabowo's stated preference to return regional head elections to the DPRD frames the proposal as part of a more centralized governing style reminiscent of Guided Democracy and the New Order, enabled by broad party support in parliament [*Tempo* 2025, 23 December]. The analytical point does not depend on accepting the editorial's rhetorical register in full. Its value lies in what it signals about the permissive political conditions created by hyper-coalition governance: when most parties are already embedded within the executive bargain, reforms that would ordinarily provoke sustained parliamentary resistance can be advanced as elite consensus projects. In this sense, the hyper-coalition weakens checks and balances while also shifting the default setting of lawmaking from contestation to accom-

modation. This shift reflects a historical tendency within the Indonesian state in the 1950s toward *menampong* – a posture of accommodation and incorporation used to neutralize sectional resistance by buying off potential challengers within an expansive elite consensus (Feith 1962, p. 570).

The construction of this hyper-coalition serves as the political foundation for a defining feature of executive governance in 2025: the creation of an institutional architecture that concentrates policy execution, fiscal leverage, and political credit in bodies positioned closer to the presidency than conventional line ministries. The administration expanded the number of specialized agencies and councils, signalling a preference for vertical command chains and fast, leader-branded delivery over the slower bargaining and administrative friction of established bureaucratic compartments [*Detik Finance* 2025, 15 June]. The National Nutrition Agency (*Badan Gizi Nasional*, BGN) illustrates the logic of centralized distributive politics. By placing the flagship *Makan Bergizi Gratis* (Free Nutritious Meal) programme within a non-ministerial agency endowed with exceptional budgetary weight, the presidency captures both the material flow of welfare distribution and the symbolic ownership of provision. In parallel, the launch of Danantara institutionalizes a "super-holding" logic in which state commercial assets are consolidated as a single strategic portfolio under executive direction, framing state capital less as dispersed sectoral management and more as a unified instrument of national strategy [*Detik Finance* 2025, 15 June]. This design is reinforced by fiscal instruments that tighten subnational dependence on the centre. Government Regulation No. 38/2025, which opens the possibility for local governments and state-owned enterprises to borrow from the central government, formalizes a new channel through which Jakarta can shape local fiscal room. The regulation's design also makes clear that "assistance" can operate as discipline: repayment mechanisms, including the possibility of deductions from transfers, emphasize how recentralization can be pursued through ostensibly technical fiscal instruments.

BGN, Danantara, and these emerging fiscal channels are best read as components of a single architecture rather than as disconnected initiatives. Earlier reform discourse on holdingisation (*holdingisasi*; restructuring or merging of companies) – focused on value creation, capital allocation, and stronger control over BUMN – helps clarify the managerial rationale that executive centralisation can draw upon [Zahruddin 2021, p. 98]. What changes in 2025 is the governing form. Distributive delivery and the consolidation of state capital are increasingly channelled through institutions positioned close to the presidency, tightening the linkage between policy execution, credit-claiming, and command. The internal culture of this centralized architecture took shape during the Red and White Cabinet Retreat at the Military Academy in Magelang in October 2024. The retreat introduced military routines into civilian governance. Ministers and deputy ministers participated in morning exercises and marching drills, which the

Presidential Secretariat described as a means to «synchronize actions» and build discipline and unity of command [Sekretariat Kabinet 2024, 24 October]. From that point, the «Magelang spirit» functioned as a governing ethic: it elevated speed, obedience, and loyalty to presidential directives as core administrative virtues, while pushing deliberation and procedural negotiation to the margins.

Placed within Indonesia's longer history of civil-military relations, the retreat follows a familiar pattern. Periods of perceived civilian weakness have repeatedly created openings for military logics to shape civilian institutions. The erosion of civilian supremacy has often been enabled by two conditions: fragile civilian governance and the armed forces' awareness of their capacity to intervene politically and economically [Wiguna 2021, 22 July]. The Magelang retreat fits this trajectory. It does not revive an explicit *dwifungsi* doctrine, yet it embeds a militarized ethos within civilian leadership. Discipline substitutes for debate, hierarchy structures coordination, and accountability shifts upward rather than outward. This ritualized adoption of "the military way" signs a gradual re-entry of the armed forces into non-military roles, utilising a territorial system that has been repurposed to provide logistical support for the administration's flagship civilian projects (Joshua 2024). This emphasis on discipline serves two connected purposes. First, it manages friction within a cabinet assembled from a wide and heterogeneous coalition. By framing political office as a form of duty comparable to military service, the administration seeks to suppress sectoral ego (*ego sektoral*), a long-standing source of bureaucratic fragmentation. Second, it reinforces the President's self-presentation as the commander of development. Governance is cast as an operational mission with targets and deadlines rather than a negotiated process among institutions. The choice of a military academy as the site of civilian orientation signals a broader securitization of the bureaucracy, in which command coherence and efficiency outweigh procedural deliberation.

The translation of this militarised executive culture into the legislative sphere has further reshaped the role of parliament. With the consolidation of a hyper-coalition holding a dominant parliamentary majority, the legislature ceased to operate as a meaningful veto point in 2025. Contemporary commentary described it as a "consensual rubber stamp", as major legislation – most prominently the 2026 State Budget (RAPBN) – moved through commissions with limited substantive debate [Kompas, 2025, 16 August]. This outcome followed directly from a strategy of total absorption, which drew potential opponents into the governing bloc rather than leaving them outside it. The political logic behind this oversized coalition is straightforward. The President secured executive authority, yet governing stability still depended on assembling an expansive parliamentary alliance. Over time, this arrangement exchanged stability for oversight. Consensus became a mechanism of containment. Scrutiny shifted into closed-door

bargaining, and public visibility into policymaking narrowed. Legislative support increasingly rested on accommodation rather than programmatic agreement. By late 2025, the Indonesian Democratic Party of Struggle (PDI-P) remained formally outside the Red and White framework, yet its capacity to operate as an effective opposition weakened as other potential allies accepted incorporation. The DPR functioned less as a forum of public contestation and more as a space for managing coalition relations.

While the coalition manages broad elite interests, the specific executive relationship between the president and vice-president addresses the inheritance of political legitimacy. Early expectations framed the Prabowo presidency as a proxy continuation of the Jokowi era; however, the executive relationship that took shape in 2025 followed a different pattern. President Prabowo asserted clear dominance, while Vice President Gibran Rakabuming Raka occupied a narrower, more public-facing portfolio oriented towards subnational engagement, youth constituencies, and digital initiatives. This division enabled the President to retain control over defence, foreign policy, and macroeconomic direction, while Gibran helped sustain links to Jokowi's residual political base. Civil-military scholarship offers a useful lens for interpreting this arrangement: where civilian institutions are fragile, non-civilian logics can shape governance without overt institutional rupture [Wiguna 2021, 22 July]. In this setting, inherited legitimacy can be translated into administrative function. Gibran's visibility contributes to coalition stability even as substantive authority concentrates within a smaller executive core. Questions surrounding dynastic influence are deferred rather than resolved.

Executive consolidation reached a further turning point in September 2025 with the replacement of Sri Mulyani Indrawati by Purbaya Yudhi Sadewa as Minister of Finance. The change carried significance beyond personnel. It indicates a move away from the technocratic fiscal stance that had underpinned Indonesia's macroeconomic credibility in the late Reformasi period. Reporting at the time noted market unease and underscored the symbolic weight of Sri Mulyani's departure [*Reuters* 2025, 8 September; *Jakarta Post* 2025, 9 September]. Purbaya's public orientation aligns with President Prabowo's preference for a more expansionary and growth-driven approach. The reshuffle therefore suggested a broader shift in governing priorities: personalized authority and coalition pragmatism began to weigh more heavily than technocratic restraint. Yanuar Nugroho warns that such conditions risk producing policy driven by political intuition with limited correction from data, expertise, and institutional planning, creating an appearance of strength that can mask structural vulnerability [*Kompas* 2025, 21 April].

Despite this consolidation, hyper-coalition stability still depends on disciplined accommodation among actors with divergent interests. Cabinet design, portfolio allocation, and institutional boundaries structure that ac-

commodation. At the same time, the proliferation of new agencies and taskforces has generated friction with established ministries, particularly over authority and procurement. The creation of additional bodies alongside line ministries can sharpen rivalries even when the stated aim is tighter coordination, because jurisdictional boundaries and budget control become contested terrain [*Detik Finance* 2025, 15 June]. The President's inner circle increasingly mediates these disputes, reinforcing governance practices that operate outside formal institutional channels. This absence of robust opposition and the rise of informal mediation have fundamentally reshaped legislative practice. Adversarial scrutiny has given way to coalition management, with dissent more likely to be expressed privately than through open parliamentary contestation. With major programmes and budgetary priorities advanced through a legislature dominated by governing parties, the space for sustained oversight narrows and public visibility into deliberation diminishes [*Kompas*, 2025, 16 August].

These developments clarify the governing logic of 2025. The Prabowo administration prioritized political order and centralized authority as foundations of development. The large cabinet functioned as an instrument of discipline and co-optation. Absorbing rivals, normalizing a militarized executive culture, and recalibrating economic leadership away from technocratic restraint produced a system oriented towards speed and command coherence [*Kompas* 2025, 21 April]. This approach delivered short-term stability and rapid policy rollout, yet Indonesia's historical experience points to longer-term risks. Contemporary commentary has warned that appeals to effectiveness can legitimize the gradual contraction of deliberative space, while erosion of checks and balances tends to proceed incrementally rather than abruptly [*Kompas* 2025, 1 April]. As the administration moves into 2026, the central question is whether this model can absorb fiscal constraints and social pressure without further weakening the civilian foundations of governance.

4. *Law, institutions, and the architecture of accountability*

The institutional landscape of accountability in 2025 shows a deliberate retooling of law, oversight, and procedural justice to serve executive priorities. Formal institutions still function, but their work is increasingly channelled into a governing logic that favours stability, speed, and central control. The shift lies less in the presence of rules than in how legality is deployed: to manage contestation, narrow avenues of access, and contain challenges before they gain political traction. This functional deployment of legality reflects a long-standing historical struggle in Indonesia, where the ideal of a «*Rechtsstaat*» (rule of law state) has frequently succumbed to patrimonial political orders that prioritize the exercise of political power

over judicial constraints (Lev 1978). Civil society organisations were among the first to register this change. In its October 2025 evaluation marking one year of the Prabowo-Gibran administration, LBH Jakarta reads the year through the behavioural markers of authoritarian drift identified by Levitsky and Ziblatt – delegitimising opposition, tolerating violence, and restricting civil liberties [LBH Jakarta 2025]. The value of this diagnosis is analytical; it ties policing practices, legal change, and development instruments into a single governing pattern in which civic freedom is treated as a variable to be managed rather than a foundation to be protected.

This pattern is clearest in the contraction of civic space. Throughout 2025, demonstrations against legislative and policy initiatives faced aggressive policing and broad criminalisation. LBH Jakarta documents repeated resort to force during dispersals – tear gas and water cannon, beatings, and arbitrary arrests – and describes a recurring sequence: intimidation before demonstrations, detention without proper documentation, prolonged interrogations, and post-hoc prosecutions relying on vague provisions [LBH Jakarta 2025]. The report also describes sustained digital repression, including monitoring, doxxing, phone seizures, spamming, and the targeting of critics under elastic legal bases such as Pasal 27 of the UU ITE and provisions of the KUHP [LBH Jakarta 2025]. The key point is that repression in 2025 is structured rather than exceptional. Administrative justifications such as «public order» or «lack of permit» become routine gateways to coercion, even though the legal framework for public assemblies emphasises notification rather than prior permission [LBH Jakarta 2025].

Institutional boundaries between civilian governance and the security apparatus have likewise become more porous. LBH Jakarta records the involvement of TNI personnel in several episodes of protest handling, including during large demonstrations such as #TolakRUUTNI and #ReformasiDikorupsi [LBH Jakarta 2025]. In a post-1998 context, this matters because it signals a normalisation of blurred defence and domestic security roles. The effect is not the formal restoration of (dual function «*dwifungsi*») as doctrine, but the re-legitimation of military presence in civilian political life through routine operational practice.

Legal process has provided only limited correction; the Constitutional Court (*Mahkamah Konstitusi*, MK) continues to operate as a site of adjudication, including in the electoral domain. Disputes arising from the 2024 regional elections (Pilkada» (regional elections) led to re-voting («*pemungutan suara ulang*», PSU) in 24 regions, while civil society monitoring underscored the persistence of money politics, abuse of state facilities, and enduring weaknesses in electoral administration and oversight [ICW 2025]. Yet the PSU episode also shows how judicial remedies can coexist with political continuity: the Court can correct procedural violations without altering the incentive structures that generate them. ICW's warning is direct: PSU risks reproducing the same distortions unless supervision and

enforcement improve, and unless the KPU's candidate verification procedures and Bawaslu's oversight capacity are materially strengthened [ICW 2025]. On structurally sensitive issues, access to constitutional justice itself becomes contested. LBH Jakarta highlights the Court's handling of challenges to the TNI Law and related constitutional litigation, including decisions that restrict standing even when petitioners claim concrete harms and invoke public interest [LBH Jakarta 2025]. The long-term implication is serious: constitutional review persists in form, but the circle of recognised constitutional subjects narrows. The Court remains open, yet increasingly difficult to access for those most exposed to securitisation, coercive policing, or development-led displacement.

The legal architecture of development policy provides another lens on the redesign of accountability. The PSN framework is defended in the idiom of acceleration and national interest, yet the People's Movement Challenging National Strategic Projects (*Gerakan Rakyat Menggugat Proyek Strategis Nasional*, GERAM PSN), a civil society coalition challenging the constitutional basis of National Strategic Projects) argues that its legal foundations are scattered across sectoral statutes and rely on vague enabling language – facilitation and acceleration of National Strategic Projects (*kemudahan dan percepatan Proyek Strategis Nasional*) – that permits broad interpretation [GERAM PSN 2025]. In this account, such elasticity allows the executive to advance large-scale projects under thin oversight and weak avenues for meaningful participation, while widening the category of public interest used to justify land acquisition and displacement. The same intervention frames the dispute in constitutional terms, pointing to a concentration of power, reduced legislative scrutiny, and weakened rights protections under the 1945 Constitution (UUD 1945) provisions on legal certainty and welfare. The procedural posture described is equally revealing: the government requested postponement on the grounds of incomplete submissions, while the House of Representatives (*Dewan Perwakilan Rakyat*, DPR) did not appear, reinforcing perceptions of institutional indifference even as affected citizens travelled to Jakarta to testify. These elements suggest a governing habit of selective seriousness, in which law is mobilised to authorise acceleration but avoided when it demands justification. The strategic use of law to facilitate National Strategic Projects aligns with a «developmentalist» and formalistic conception of the rule of law, which prioritizes market-friendly efficiency and state-led economic penetration over emancipatory values or genuine legal certainty for citizens (Anggoro 2020, pp. 268-269).

The anti-corruption field shows a related shift away from adversarial constraint towards administrative compliance. A systematic review of Indonesian anti-corruption policy research argues that effectiveness in local governance depends on institutional reform, capacity-building, community participation, and, crucially, the certainty of legal sanctions [Paranata 2025]. It also notes that local political dynamics – majority coalitions

and dynastic practices – often obstruct anti-corruption efforts, and that reform programmes can unintentionally reinforce dominant actors [Paranata 2025]. Under conditions of coalition discipline and elite accommodation, anti-corruption is easier to reposition as integrity management than to sustain as elite accountability. Oversight may continue through measurement and reporting, but it is less able to reach the networks through which state programmes are turned into rents. In such a setting, anti-corruption enforcement becomes uneven not because legal standards vanish, but because the institutional conditions required to apply them against politically protected actors become progressively weaker.

More broadly, the accountability order that took shape in 2025 operates without dismantling oversight institutions outright. Its force lies in reducing their effective bite while preserving their formal presence. Courts continued to hear cases, audit and supervisory bodies continued to issue findings, and anti-corruption discourse remained part of official language. Yet these institutions increasingly operated within a denser administrative environment in which access was narrowed, enforcement was selective, and procedural compliance often substituted for substantive control. This makes corruption in 2025 better understood as a governance effect of weakened constraint rather than as a question of illicit enrichment alone. When oversight is filtered through executive priorities, legal review delayed or narrowed, and audit findings detached from meaningful sanction, the state retains the appearance of accountability while losing much of its capacity to interrupt rent-seeking, patronage allocation, or politically protected misuse of authority.

Criminal law reform further intensifies this architecture by widening the range of discretionary tools available against dissent. As the Criminal Code (KUHP) is scheduled to take full effect in January 2026, reporting has highlighted a set of controversial provisions that bear directly on political expression and mobilisation, including insult and defamation articles concerning the president and state institutions, restrictions on demonstrations that proceed without notification, and ideologically framed offences [*Tempo* 2026, 2 January]. Even where some provisions operate as complaint-based offences (*delik aduan*), the broader political effect is chilling rather than punitive. The presence of the offence, combined with discretionary enforcement, reshapes the behaviour of journalists, activists, and academics without the need for widespread prosecution [*Tempo* 2026, 2 January]. This development aligns with the pattern identified by LBH Jakarta: coercion increasingly operates through procedure, and legality functions as an instrument for managing public criticism rather than safeguarding it [LBH Jakarta 2025]. Some forms of accountability in 2025 persist, but in altered forms. Courts continue to adjudicate, oversight bodies continue to issue findings, and elections continue to take place. Yet challenges to executive authority now pass through a denser set of filters, including administrative

hurdles, narrowed procedures, and legal instruments that raise the costs of mobilisation and speech. Should this pattern persist into 2026, Indonesia will retain an elaborate architecture of accountability, but one that operates primarily as a system of process rather than a system of constraint. The central issue is therefore not institutional disappearance, but institutional conversion: accountability survives in form while losing much of its capacity to discipline the allocation and exercise of power.

5. *Security, policing, civil liberties, and information control*

By 2025, Indonesia's security governance had moved beyond the fragmented, situational repression that characterized the later Jokowi years and toward a more integrated, legalized architecture of control. Under the Prabowo administration, public order (*ketertiban*) has been cast as a prerequisite for development, industrial acceleration, and national resilience, particularly in relation to extractive industries, downstreaming, and zones designated as National Strategic Projects (*Proyek Strategis Nasional*, PSN). In this framework, dissent is increasingly recoded as a risk to stability (*stabilitas*) and to the continuity of state-led accumulation. Coercion therefore relies less on episodic force than on the routine deployment of criminal law, administrative regulation, and digital governance. Security, in this configuration, no longer functions as a mere emergency response; rather, it operates as a fundamental governing method.

This shift corresponds to what Trissia Wijaya and Kanishka Jayasuriya conceptualize as authoritarian statism: intensified state control over socio-economic life coupled with the retention of democratic formalisms and a narrowing of political channels available to subordinate groups [Wijaya and Jayasuriya 2025, p. 149]. Read this way, the expansion of security governance is driven less by discrete threats than by the structural pressures generated by industrial policy, labour precarity, and mounting strains in social reproduction. This systemic narrowing of political channels functions as a «mode of participation» designed to regulate social contention, utilizing technocratic and consultative ideologies to redefine the boundaries of permissible conflict in the service of elite interests (Rodan 2018, pp. 7-8). The institutional core of this shift toward formalized control lies in the implementation of the Revised Criminal Code (Kitab Undang-Undang Hukum Pidana, as amended by Law No. 1 of 2023), which entered into force in January 2025. Its significance lies less in any single provision than in the state's growing preference for routing repression through formal legality. Broadly worded clauses concerning hostility toward the state (*permusuhan terhadap negara*) and defamation of public institutions (*penghinaan terhadap lembaga negara*) widen the discretionary space available to police and prosecutors. This, in turn, enables what may be described as preventive prosecution: the

use of criminal law to deter political contestation before it acquires wider social traction.

Public debate around these provisions often turns on the semantic boundary between criticism (*kritik*) and insult (*penghinaan*). One contemporary commentary instead treats the more consequential issue as the asymmetry embedded in enforcement: definitional disputes matter less if those most frequently prosecuted are critics of government policy rather than perpetrators of personal defamation. On this reading, the key distinction lies between statements addressing performance or policy – integral to democratic accountability – and attacks on individual dignity, which may plausibly fall within the scope of civil dispute [Heryanto 2021, 26 June]. A further implication of this legalized order lies in the structural imbalance between state authority and citizens. Public officials and state institutions command extensive communicative resources through ministries, public relations offices, and access to mass and digital amplification, while ordinary citizens do not. In this context, criminalizing speech directed at public authority does not operate as a neutral balancing of expression and reputation. Instead, it consolidates asymmetry by granting elites disproportionate leverage over police and prosecutorial machinery. Seen historically, such provisions echo earlier legal techniques used to discipline hostility toward state power, including colonial-era hate-sowing articles (*haatzaai artikelen*) introduced in 1914 and later redeployed under authoritarian regimes. Claims that the Revised Criminal Code represents legal decolonisation (*dekolonisasi hukum*) are therefore difficult to sustain when its practical effect is the reactivation of a modernized instrument for managing political dissent [Heryanto 2021, 26 June].

By mid-2025, civil society organizations documented a growing number of prosecutions against activists opposing land acquisition for PSN projects, particularly in mining and industrial corridors [Mongabay 2024, 26 December]. Courts generally treated these cases as procedural matters, prioritizing statutory compliance over constitutional protections for freedom of assembly (*kebebasan berkumpul*) () and freedom of expression (*kebebasan berekspresi*) . The outcome has been a normalization of repression through legality, which shields executive authority from accusations of arbitrariness while narrowing the boundaries of permissible dissent. This legalist securitization gains traction primarily when it is reinforced through everyday policing and the progressive narrowing of civic space (*ruang sipil*). A public discussion hosted by LP3ES in June 2025 captured this dynamic from the perspective of student movements and civil society actors. Participants repeatedly described a sense of «déjà vu», pointing to restrictions on student mobilization and to a broader pattern in which democratic procedures persist while substantive freedoms contract [LP3ES 2025, 2 June]. The LP3ES discussion also indicates how repression operates through layered mechanisms. In Semarang, as recounted by Nukila Evanty, protest policing in-

volved suspected undercover surveillance, prolonged deployment of water cannon and tear gas, and the charging of students under Articles 333 and 170 of the Criminal Code. This physical coercion was followed by discursive marginalization, as mainstream media framed detainees as disorderly and illegitimate [LP3ES 2025, 2 June]. The sequence illustrates how coercion and narrative management operate together to delegitimize dissent. The forum connected these practices to broader regime dynamics. Bivitri Susanti characterized Indonesia's political system as procedurally democratic but substantively hollow, invoking competitive authoritarianism to describe a regime that maintains elections while systematically constraining civic action. Zainal Arifin Mochtar's description of neo-authoritarianism (*neo-otoritarianisme*), in which repression is channelled through legal cases rather than overt bans, closely matches the legalist turn observed in 2025. These diagnoses point to how fear, legal risk, and reputational damage function as routine deterrents within campuses and civil society [LP3ES 2025, 2 June].

Beyond the disciplining of civic actors, security governance in 2025 has increasingly operated as a form of economic governance, with the Indonesian National Police (*Kepolisian Negara Republik Indonesia*, Polri) occupying a central position. This operational expansion reflects Polri's long-standing trajectory as a central actor in the political economy of security, where its institutional independence has historically enabled it to mediate conflicts over state-building and resource access (Baker 2012). Although Constitutional Court Decision No. 114/PUU-XXIII/2025 formally restricted active officers from holding civilian posts, Polri's operational reach continued to expand in regions hosting PSN and extractive projects. Under the «*Presisi*» doctrine, territorial presence, intelligence gathering, and digital monitoring are integrated to secure investment sites and manage potential disruption. The designation of mines, smelters, and energy infrastructure as National Vital Objects (*Objek Vital Nasional*, OVN) institutionalizes this role. The Ministerial Decree of the Ministry of Energy and Mineral Resources (*Keputusan Menteri Energi dan Sumber Daya Mineral*) No. 385.K/BN.05/MEM.S/2025, issued on 25 November 2025, classified 474 sites across the energy and mineral sector as OVN, providing a formal basis for intensified and routinized security deployment. While the decree frames its purpose in terms of operational continuity and protection from threats, its political implication is that industrial zones are treated primarily as security assets instead of contested social spaces. Once securitized, protest and scrutiny are more readily reframed as disturbances to the national interest (*kepentingan nasional*) rather than as claims grounded in rights [Keputusan Menteri Energi dan Sumber Daya Mineral 2025, 25 November]. This arrangement aligns with Wijaya and Jayasuriya's analysis of the deepening economic-security nexus surrounding critical minerals and downstreaming. In this account, policing and coercion are integral to accumulation itself, functioning as mechanisms

through which labour flexibilization is enforced, dissent is managed, and investment conditions are stabilized [Wijaya and Jayasuriya 2025, p. 152].

The consolidation of security governance extends from the physical control of industrial sites into the digital domain. The National Data Centre (*Pusat Data Nasional*, PDN), relaunched following a series of breaches, was presented as a corrective measure intended to strengthen cybersecurity and improve administrative efficiency [*Tempo* 2025, 26 May]. In practice, PDN enables deeper integration of government datasets across ministries and agencies, expanding the state's administrative reach. Reporting on the corruption investigation into the Temporary National Data Centre (*Pusat Data Nasional Sementara*, PDNS) highlights the governance risks created by this consolidation. The interim PDNS arrangement was reported to be inconsistent with Presidential Regulation (*Peraturan Presiden*) No. 95 of 2018, increasing reliance on private providers even as the broader PDN blueprint seeks to centralize and integrate state data infrastructure [*Tempo* 2025, 26 May]. Even without imputing intent, data centralization increases the state's capacity to monitor populations while making lines of responsibility harder to trace. The National Cyber and Crypto Agency (*Badan Siber dan Sandi Negara*, BSSN) reinforced this trajectory by reporting 3.64 billion cyber incidents between January and July 2025, framing cyberspace as a high-threat domain requiring regulatory expansion [*Tempo* 2025, 8 August]. These figures were mobilized to justify calls for additional legislation, including the proposed Cybersecurity and Cyber Resilience Bill (*Rancangan Undang-Undang Keamanan dan Ketahanan Siber*). Cybersecurity thus becomes a platform for expanding discretionary authority over information flows under the banner of national stability.

Complementing this move toward data centralization is the intensification of administrative content governance as a central pillar of information control. Under the continued enforcement of Ministerial Regulation No. 5 of 2020, the Ministry of Communication and Digital Affairs (Kementerian Komunikasi dan Digital, Komdigi) intensified takedown requests, frequently targeting content deemed to disturb public order (*meresahkan masyarakat*). Unlike judicial censorship, these removals do not require a court ruling and shift the burden of contestation onto users and media outlets. Monitoring by *SAFEnet* and reporting by *Remotivi* point to a rise in over-moderation during politically sensitive moments, including the 2024 election period and the August 2025 demonstrations. By October 2025, hundreds of accounts were reported to have been blocked and journalistic content removed, including documentation of police violence and protest demands, under vague categories such as disturbing public order [*SAFEnet* 2025, 19 June; *Remotivi* 2025, 5 November]. Independent media outlets, including *Tempo*, also faced repeated Distributed Denial of Service (DDoS) attacks that coincided with investigative reporting, narrowing the reach of critical journalism during key decision-making periods [*Tempo* 2025, 12 April].

The overarching effort to consolidate security governance in 2025 has extended beyond immediate policing and information control into the long-term management of historical narrative. The state's move to professionalise a new national history mirrors earlier historical projects where the production of «official» narratives was used as a pedagogical tool to stabilise the state's ideological foundations and legitimise its security apparatus (McGregor 2007). This became visible in the state-backed project to rewrite Indonesia's national history, formally launched in December 2025 under the title Indonesian History: The Dynamics of Nationhood in a Global Context (*Sejarah Indonesia: Dinamika Kebangsaan dalam Arus Global*). The project, initiated in January 2025 and overseen by the Ministry of Culture, produced 7,958 pages across ten volumes and involved more than one hundred contributors from universities and research institutions [*Tempo* 2025, 15 December]. Accounts from people involved in the process also describe an institutional pathway that complicates a neat division between «grassroots» professional initiative and state programme: the work was initially driven through the Indonesian Society of Historians (*Masyarakat Sejarawan Indonesia*, MSI), led by Agus Mulyana, before the initiative became more tightly embedded within the Ministry as he moved into the post of Director of History. The project sits within a broader pattern of governance in which ostensibly professional or civic infrastructures are folded into ministerial authority, giving the state stronger agenda-setting capacity while retaining the legitimating language of expert authorship.

Publicly, the project was framed as an effort to correct colonial bias, strengthen national cohesion, and render history relevant to younger generations. The Minister of Culture emphasized that the work was written by professional historians and subjected to internal review and public discussion, presenting criticism as part of a normal democratic process [*Tempo* 2025, 15 December]. In official statements, the project was positioned as Indonesia-centric, affirmative (and positive) in tone, and oriented toward national achievement rather than historical grievance. Yet the process and substance of the project quickly became a site of controversy. Civil society groups, historians, and human rights organizations raised concerns that the state-led framing of a official history (*sejarah resmi*) risked imposing a singular, authoritative interpretation of the past. Critics warned that such an approach could marginalize alternative historical voices, particularly those of victims and survivors of past violence, and reclassify critical historical accounts as deviant or illegitimate. Amnesty International Indonesia, through an online petition endorsed by members of the Alliance for Open Indonesian History (*Aliansi Keterbukaan Sejarah Indonesia*,AKSI), warned that a state-sponsored official history risks imposing a singular interpretation of the past and marginalizing victims' accounts, including by sidelining discussion of past gross human rights violations [Amnesty Indonesia 2025].

Opposition to the project intensified through petitions, public statements, and parliamentary hearings. AKSI explicitly rejected the notion that the state holds the authority to fix a final interpretation of national history, stressing that historical writing must remain plural, open to contestation, and accountable to victims of past abuses. The coalition warned that the normalization of an official narrative could function as a form of symbolic closure, discouraging further inquiry into state violence and enabling the sanitization of controversial episodes [Amnesty Indonesia 2025]. Concerns were also raised about the conditions under which the project was produced. Contributors reported compressed timelines, limited transparency in editorial decision-making, and discrepancies between draft discussions and published content. The final volumes were repeatedly delayed – from an initial target of August 2025, to November, and eventually to December – reflecting the strain of producing a comprehensive national history within a six-month window [*Tempo* 2025, 15 December]. These pressures were particularly acute in Volume 10, covering the post-Reformasi period up to 2024, which required the production of entirely new historical synthesis rather than revision of existing national histories.

The controversy was further sharpened by public statements from the Minister of Culture that appeared to conflict with established documentation, including remarks casting the reported mass sexual violence during the May 1998 riots as unsubstantiated [*The Conversation* 2025, 18 June]. Such statements deepened concerns that the project's affirmative tone could override evidentiary standards, even where the institutional history of bodies such as Komnas Perempuan – established in direct response to the 1998 violence – was acknowledged within the volumes themselves [*Tempo* 2025, 15 December; The Conversation 2025, 18 June]. Within the broader context of security governance, the rewriting of national history can be read as a complementary mode of control. Rather than operating through prohibition or coercion, it works by stabilizing acceptable interpretations of the past and narrowing the discursive space in which historical accountability can be pursued. In this sense, historical narrative management aligns with other legal and administrative techniques discussed in this section: it preserves democratic form while constraining the range of legitimate critique. The politics of memory thus become another site where order is produced – not through force, but through the institutionalization of authorized knowledge. By the end of 2025, Indonesia's security governance had coalesced around a consistent logic where order (*ketertiban*) functions as an administrative condition for development, enforced through law, policing, data centralization, and platform regulation. The system relies less on overt violence than on routinized legality, surveillance, and administrative pressure. This configuration may deliver short-term predictability for investors and policymakers, but it narrows the space for democratic contestation by recoding dissent as disruption. Stability in 2025

was maintained through an increasingly institutionalised architecture of control rather than through political incorporation or accommodation.

6. *Labour, welfare, and public services: distributive politics in practice*

By 2025, Indonesia's distributive politics had settled into a paternalistic-populist configuration in which welfare provision was framed less as a compensatory safety net than as an instrument for governing labour, markets, and social order. The Prabowo administration recast welfare as an investment in national resilience (*ketahanan nasional*), embedding social programmes within a command-oriented architecture that prioritised scale, speed, and executive control. Flagship initiatives such as Free Nutritious Meal Programme (Makan Bergizi Gratis, MBG) and Standardised Inpatient Room Class (*Kelas Rawat Inap Standar*, KRIS) expanded the state's presence in everyday life while producing labour precarity, distorting local markets, and bypassing established institutions – effects that weakened participatory and redistributive logics. The programme, launched nationally on 6 January 2025, became the centrepiece of this distributive agenda. Officially framed as a long-term human-capital intervention aligned with Indonesia Emas 2045 (Golden Indonesia 2045), MBG was administered by the newly created National Nutrition Agency (*Badan Gizi Nasional*,BGN) and channelled through thousands of Nutrition Service Units (*Satuan Pelayanan Pemenuhan Gizi*, SPPG). By late 2025, the government claimed that MBG reached 49 million beneficiaries per day, involved nearly 19,000 small businesses and village cooperatives, and generated 1.5 million jobs, alongside a reported food-poisoning rate of 0.0007 per cent [*BBC News Indonesia* 2026, 6 January].

Investigative reporting and civil-society monitoring nevertheless indicate a sharp disjuncture between design and practice. Rather than embedding welfare delivery within local economies, MBG operated as a centrally commanded mega-project that bypassed neighbourhood governance and local consultation. Across Bandung, Cirebon, Solo, and other urban and peri-urban settings, residents reported the establishment of SPPG facilities in dense residential areas without formal consultation, written permits, or environmental deliberation. Objections focused on continuous 24-hour operations, noise, waste management, and traffic disruption, concerns that were particularly acute in communities with elderly populations [*BBC News Indonesia* 2026, 6 January]. Problems of governance were compounded by recurring food-poisoning incidents affecting participating school children. Reporting highlighted multiple cases of mass poisoning linked to uneven hygiene practices, limited supervision, and inconsistent quality control across suppliers and kitchens. These incidents point to an accountability gap within a programme scaled rapidly under central command: opera-

tional failure was treated as a technical defect rather than as a problem of oversight and enforceable standards. In this sense, the programme's claim of a very low poisoning rate sits uneasily alongside accounts of repeated outbreaks and the institutional difficulty of tracing responsibility across a fragmented delivery chain [*Project Multatuli* 2025, 30 September; *BBC News Indonesia* 2026, 6 January].

The programme also fell short of its stated aim of local labour absorption. Reported cases show that SPPG kitchens recruited workers – officially designated as volunteers – through personal networks rather than open local recruitment. In Cirebon, only one resident out of 200 households was recruited; in other cases, workers were drawn from outside the neighbourhood altogether. Despite BGN technical guidelines requiring that at least 30 per cent of workers be recruited from local poor households (desil 1 and desil 2), enforcement remained weak [*BBC News Indonesia* 2026, 6 January]. The labour regime underpinning MBG reveals a central paradox of paternalistic welfare: expanded provision accompanied by intensified precarity. Workers in SPPG kitchens typically laboured eight to thirteen hours per day without written contracts, predictable schedules, or formal training. Wages ranged from Rp 100,000 to Rp 150,000 per day, often paid fortnightly, with overtime either unpaid or capped arbitrarily. In many cases, workers were not enrolled in Employment Social Security (BPJS Ketenagakerjaan), despite official guidelines mandating insurance coverage [BBC News Indonesia 2026, 6 January]. These arrangements created a new stratum of informalised labour embedded within a state programme. As Bhima Yudhistira of the Center of Economic and Law Studies (CELIOS) observed, MBG did not generate genuinely new employment so much as reclassify existing informal labour into state-dependent and highly vulnerable positions, in tension with official claims of large-scale job creation [*BBC News Indonesia* 2026, 6 January]. Instead of securing livelihoods, social programs fostered vulnerability under the guise of patriotic duty.

This logic of centralised command also reshaped local markets in uneven and destabilising ways. Although BGN guidelines required SPPG kitchens to prioritise village-owned enterprises (*Badan Usaha Milik Desa*, BUMDes), cooperatives, and local micro-enterprises for procurement, field evidence suggests that fewer than 10 per cent of micro-businesses were meaningfully involved [*BBC News Indonesia* 2026, 6 January]. Supply chains instead gravitated towards large vendors and intermediaries capable of meeting volume and consistency requirements, often those with personal or political proximity to SPPG operators. The result was a substitution effect that disrupted existing market ecosystems. Traditional market traders, school canteen operators, and small caterers reported sharp declines in demand as school meals were centralised. Vegetable traders in Solo and Bandung described shortages and price spikes as suppliers prioritised SPPG contracts, pushing retail prices upward and limiting access for small vendors.

Some shopkeepers reported revenue declines of 20-50 per cent and were forced to lay off workers [*BBC News Indonesia* 2026, 6 January]. Muhammad Andri Perdana of the Bright Institute characterised MBG as a programme that «damaged markets and welfare» by concentrating economic benefits at the top while distributing only residual gains downward. In this command-based model, economic circulation was expected to flow from politically connected operators rather than be sustained through local exchange [*BBC News Indonesia* 2026, 6 January].

The resulting economic distortions were further complicated by concerns over patronage and the militarisation of welfare delivery. Findings by Indonesia Corruption Watch (ICW) identified at least 102 MBG-affiliated foundations across 38 provinces with ties to political parties, business elites, bureaucrats, military personnel, police, and campaign networks. These affiliations, ICW argued, turned MBG into a vehicle for project allocation and rent distribution, weakening competence-based selection and oversight – particularly as BGN functioned simultaneously as regulator and executor [*BBC News Indonesia* 2026, 6 January]. The involvement of security institutions further blurred boundaries between welfare, governance, and coercive authority. By late 2025, the National Police (Polri) and the Indonesian Armed Forces (*Tentara Nasional Indonesia*, TNI) collectively operated or planned thousands of SPPG units. Parliamentary scrutiny questioned the legal basis for allocating 1,000 SPPG units to Polri alone, underscoring how welfare infrastructure was increasingly embedded within security institutions, not civilian social-policy frameworks [*BBC News Indonesia* 2026, 6 January]. A parallel logic of managed exit and re-stratification shaped health policy through the implementation of Standardised Inpatient Room Class (*Kelas Rawat Inap Standar*, KRIS), mandated by Presidential Regulation No. 59 of 2024. KRIS abolished the tiered inpatient class system (Classes I, II, and III) within BPJS Kesehatan (Health Social Security Agency), standardising hospital accommodation in the name of equity. Health Minister Budi Gunadi Sadikin stated that BPJS should focus on lower-income groups, while wealthier patients were expected to rely on private insurance [*CNBC Indonesia* 2025, 13 November]. Labour organisations sharply contested this approach. Trade unions warned that KRIS would effectively downgrade services for workers previously enrolled in higher classes while accelerating the exit of middle- and upper-income groups to private insurance, potentially undermining BPJS financing through declining cross-subsidisation [*DetikFinance* 2025, 21 May]. Instead of equalising quality, KRIS risked entrenching a two-tier health system in which formal equality of access masked inequality of outcomes.

This distributive turn in welfare unfolded alongside continuing uncertainty in labour governance, including contestation over how employment protections should be defined, enforced, and adjudicated. One late-2025 marker of this broader conflict was the decision by Indonesian

Campus Workers' Union (*Serikat Pekerja Kampus*, SPK) to submit a judicial review petition to the Constitutional Court challenging provisions of Law No. 14/2005 on Teachers and Lecturers. Presented by SPK as a test of labour rights and legal protection in the education sector, the petition suggests that distributive disputes under Prabowo have increasingly moved into constitutional litigation, particularly where legislative channels are perceived as unresponsive or exclusionary [Serikat Pekerja Kampus 2025, 26 December]. Within labour debates more broadly, key demands continued to centre on restoring minimum-wage calculations based on Decent Living Needs (*Kebutuhan Hidup Layak*), reinstating sectoral minimum wages, limiting fixed-term contracts (*Perjanjian Kerja Waktu Tertentu*, PKWT), restricting outsourcing, and strengthening protections for vulnerable workers. Public commentary on contract labour echoed these concerns. Writing on the contractualization of work, Mustika Prabaningrum Kusumawati argued that inequality is built into fixed-term contracting because employment agreements are typically drafted by employers and structured around a relationship of command, leaving workers with little bargaining power. In a labour market organised around «flexibility», contract workers become easy to hire and easy to fire, denied severance pay and longer-term security while carrying workloads comparable to, and sometimes heavier than, those of permanent employees. In this sense, «flexibility» operates as a transfer of risk from firms to workers, normalising insecurity under a veneer of legal formality [Kusumawati 2025, 1 May]. Against this backdrop, the government's interim strategy of a 6.5 per cent minimum-wage increase functioned as wage pacification rather than structural reform, deferring distributive conflict rather than addressing its sources.

Distributive politics also extended into the educational sector through an intensified emphasis on STEM (Science, Technology, Engineering, and Mathematics) as the principal vehicle for national competitiveness. Policy messaging and LPDP funding priorities framed education as a pipeline for industrial strategy, particularly in energy, defence, and digital sectors [Firman 2025, 9 July]. By 2026, LPDP planned to allocate up to 80 per cent of scholarships to STEM fields, reinforcing a narrowed conception of educational return [Maulida 2025, 16 September]. Critical interventions from scholars and commentators warned that this instrumental logic marginalised the humanities and social sciences and weakened the cultivation of critical capacities relevant to democratic governance. Indonesia's tendency to value education primarily for immediate economic utility – shaped by colonial and authoritarian legacies – risked short-term technocratic gains at the expense of longer-term societal resilience [Maulida 2025, 16 September]. These reforms in labour, welfare, and public services clarify the contours of a paternalistic state that offers protection in exchange for compliance. Programmes such as MBG and KRIS expanded the state's presence in everyday life while consolidating executive control, weakening local participation,

and shifting risk on to workers, small traders, and communities. Short-term social peace was secured through visibility, scale, and command, at the cost of labour security, market integrity, and institutional accountability. As fiscal pressures mount towards 2026, the sustainability of this distributive model remains uncertain, particularly as its underlying inequalities continue to generate social friction rather than contain it.

7. *Macroeconomy and fiscal policy: growth, inflation, jobs, inequality*

Indonesia's macroeconomic condition in 2025 was shaped less by acceleration than by active management of competing pressures. The year unfolded in a more difficult external setting: weaker global momentum, geopolitical risks with potential spillovers into energy prices and logistics, and a financial environment defined by a strong US dollar alongside expectations that global interest rates would remain higher for longer than previously anticipated. These conditions narrowed the room for manoeuvre for emerging markets and turned "stability" into a policy outcome that had to be produced, rather than a passive inheritance [Hendranata 2025, 24 January]. Against this backdrop, the key domestic tension lay in the gap between political ambition and economic structure. The state signalled readiness to expand programmes designed to sustain demand and bolster social legitimacy, while the underlying growth model showed signs of fatigue. Productivity gains remained limited, the distributional base of consumption became more polarized, and the labour market continued to absorb workers without consistently creating secure, high-productivity employment [LPEM FEB UI 2025].

While a growth rate in the 5 per cent range could still serve as the headline indicator, it should be read as the surface expression of a more fragile configuration. Growth relied increasingly on short-cycle supports and seasonal factors rather than a strengthened structural engine. Projections placing 2025 growth just below 5 per cent reflect the assessment that sustaining the symbolic threshold has become harder without policy assistance and favourable timing effects [LPEM FEB UI 2025]. This reframes resilience as conditional. Household consumption remained the principal driver of growth, yet its composition suggests tightening constraints: discretionary spending appeared thinner, and even periods that historically lifted tertiary consumption generated weaker impetus. The economy was not in collapse, but it operated with a narrowing margin for error [LPEM FEB UI 2025]. The conditional nature of this resilience is closely linked to the global cycle, where external uncertainty defined the domestic cost of capital. Uncertainty was evident in both divergent forecasts for world growth and the risk that geopolitical tensions could disrupt supply chains and reintroduce inflationary pressure through energy and commodity channels [Hendrana-

ta 2025, 24 January]. At the same time, the global interest-rate environment remained a binding constraint. If US inflation proved persistent, the pace of monetary easing would slow, sustaining dollar strength and raising the effective cost of capital for emerging markets. Under these conditions, exchange-rate stability became closely linked to domestic price stability and political order [Hendranata 2025, 24 January].

The sensitivity of this political order necessitates a central mechanism of inflation management that relies on administrative control and seasonal supports. Price stability in early 2025 was secured not solely through aggregate demand conditions, but through state intervention in administered prices and seasonal subsidies. Headline inflation remained below target and reached an exceptionally low point in the first quarter, indicating a strong – if time-bound – capacity to suppress visible price pressures [LPEM FEB UI 2025]. The deeper political economy of inflation, however, remained concentrated in food. Even when aggregate inflation was subdued, volatility in basic staples carried disproportionate weight because it was experienced daily and rapidly translated into political discontent. In a context where external shocks could quickly transmit through commodity prices, the state's capacity to contain food-price volatility functioned as a core element of maintaining political legitimacy [Hendranata 2025, 24 January]. The success of these price interventions must be weighed against a distributional shift visible in the shrinking of the «broad middle class». A more analytically grounded way to discuss the «middle-class squeeze» is to treat it as a shift visible within consumption itself, not as a general impression. Over the longer run, consumption growth has been uneven across the income distribution, with higher percentiles recording stronger gains. In the post-pandemic period, this pattern has become more polarized: the lower segment improves modestly, the top recovers strongly, while the middle of the distribution loses share [LPEM FEB UI 2025]. In political-economic terms, this is a warning sign because the middle functions as a stabilizer of both demand and social expectations. High-frequency indicators point in the same direction. Proxies for lower-middle purchasing power – consumer confidence, retail momentum, credit dynamics, and durable-goods consumption – suggest cumulative pressure rather than episodic weakness. Sustaining aggregate demand through programmes and stimulus may prevent sharp deterioration, but it does not by itself reverse the longer-term thinning of the consumption middle [Hendranata 2025, 24 January].

While household demand shows signs of polarization, the investment landscape and external balance present a complex picture of resilience punctuated by structural leakages. A notable increase in early 2025 investment, including the point at which domestic investment exceeded foreign investment after a period of lag, indicates that pockets of confidence and domestic momentum persisted [LPEM FEB UI 2025]. External accounts likewise present a mixed picture that is analytically richer than a simple

«surplus buffer» narrative. A narrowing current-account deficit, supported by an improved trade position, coincided with persistent structural leakages through services and primary-income outflows linked to imports and investment returns. External stability could strengthen even as exposure to shocks transmitted through import dependence, logistics, and investment-related payments remained [LPEM FEB UI 2025]. These structural vulnerabilities become most acute in the fiscal domain, where the burden of debt service compresses the space for developmental expenditure. Plans for substantial new debt financing within the 2026 framework, combined with rising projected interest obligations and concerns over refinancing concentration in the years ahead, point to a tightening constraint. Interest payments increasingly function as an expanding fixed cost that compresses discretionary fiscal space. This is what recasts fiscal credibility as a distributive and developmental issue rather than a question of legal compliance alone [Nugraha 2025, 22 August]. Critiques of the debt trajectory stress that the principal risk lies not in the headline debt ratio by itself, but in repayment capacity, exchange-rate vulnerability, and rollover concentration. The argument that expanded borrowing has not translated into commensurate efficiency gains – illustrated by concerns over persistently weak capital-output dynamics – directs attention to expenditure quality and the growth payoff of debt-financed programmes [Nugraha 2025, 22 August].

The fiscal limits on developmental spending redirect analytical attention to the labour market, which in 2025 remained structurally dual and defined by persistent informality. The economy continued to absorb workers through flexible and scalable forms of work, often outside standard employment protections, while the creation of stable, high-productivity jobs remained limited. As a result, many workers remained exposed to income volatility and weak social security [LPEM FEB UI 2025]. Platform-mediated work provides a crucial lens on this transformation. The expansion of solo self-employment over the past decade, together with a sharp rise in the estimated number of platform workers between 2019 and 2024, indicates that digital platforms have become a major channel of labour absorption. The central issue, however, is not volume but quality. Evidence of declining average earnings relative to pre-pandemic levels, long working hours, safety risks, and ambiguous legal status – workers framed as «partners» not employees – points to a widening gap between labour absorption and standards associated with decent work [Izzati et al. 2025, October]. This gap clarifies why the policy agenda surrounding platform work carries structural significance; it constitutes a test case for whether labour institutions can adapt to new employment forms without entrenching precarity as the default outcome [Izzati et al. 2025, October].

These labour dynamics ensure that inequality and structural poverty cannot be resolved through fiscal transfers alone. Distributional outcomes in 2025 cannot be assessed solely through headline poverty rates or welfare

programme coverage. A useful framing is structural poverty: deprivation sustained by unequal access to education, healthcare, secure work, and legal justice, reinforced by institutional bias and limited political voice among vulnerable groups. Welfare expansion may alleviate hardship, but it does not by itself resolve inequality where labour markets remain informal and low-productivity and where access barriers persist. Placed alongside evidence of a shrinking consumption middle and the expansion of insecure work arrangements, this framing helps explain why inequality reduction can remain slow even as the state expands social intervention [LPEM FEB UI 2025; Izzati et al. 2025, October]. In 2025, macroeconomic stability was actively produced through intervention, buffering, and institutional coordination rather than delivered by favourable external conditions. Inflation control relied partly on administrative and seasonal instruments; investment showed measurable momentum; and external balances improved in ways that strengthened short-run resilience. Yet deeper constraints – distributional polarization within consumption, persistent informality, a labour market increasingly shaped by precarious platform work, and a fiscal horizon compressed by rising debt-service obligations – indicate that the stability of 2025 was real but conditional.

8. *Energy transition and climate governance: ambition, finance, implementation*

In 2025, the administration embedded the energy transition within an energy self-sufficiency programme (*swasembada energi*), prioritizing domestic control and fiscal manageability over accelerated decarbonization schedules. Executive agenda-setting and sectoral planning mandates reoriented inter-ministerial coordination towards supply expansion, subsidy administration, and investment mobilization. The political-economic effect was a closer alignment between energy governance and coalition management: stabilizing industrial electricity supply and retail fuel prices became a means of sustaining political support while reserving fiscal space for other populist commitments [Syeirazi 2025, 26 August]. This alignment characterizes the energy transition as a top-down project where resource nationalism functions to sustain the patronage networks essential to Indonesia's contemporary political economy (Warburton 2023, pp. 11-12). This orientation reflected a sharper conceptual distinction that shaped policy choices throughout the year. Energy sovereignty (*kedaulatan energi*) emphasized state authority over resources, infrastructure, policy autonomy, and technological capacity, whereas energy security (*ketahanan energi*) centred on availability, affordability, access, and environmental acceptability. The administration explicitly adopted the sovereignty frame as its organizing doctrine, legitimizing stronger state direction over upstream extraction, refining capacity, and grid planning. Institutionally, this choice elevated the

role of state-owned enterprises (SOEs), whose balance sheets were treated as primary policy instruments for projects unable to attract concessional international finance [Syeirazi 2025, 26 August]. This institutional choice reflects a strategic preference for statist nationalism in sectors deemed too economically or politically sensitive to be controlled by private domestic actors (Warburton 2023, p. 10).

The structural limits of this sovereignty-led approach were exposed by oil and gas policy, where the self-sufficiency agenda relied on ambitious production targets of one million barrels of oil per day and 12 billion standard cubic feet of gas per day by 2030. The political-economic problem lay in credibility: long-term declines in output and proven reserves raised the cost of meeting targets through domestic lifting, intensifying pressure to revise fiscal terms and streamline licensing. The state thus confronted a trade-off between politically sensitive import dependence and institutionally demanding reforms to state take, contract stability, and permitting procedures [Syeirazi 2025, 26 August; Undang-Undang No. 22/2001]. These production constraints heightened the strategic importance of subsidy governance. Energy subsidies remained a central instrument of macroeconomic stability, yet open-price mechanisms produced substantial leakage to non-target groups and reinforced the competitiveness of fossil fuels relative to renewables. Efforts to recalibrate this system depended on the National Integrated Socioeconomic Data system (*Data Tunggal Sosial Ekonomi Nasional*), designated as the reference registry for targeted transfers, including energy subsidies. The political-economic consequence was straightforward: without reliable targeting, the state remained locked into recurrent subsidy and compensation expenditures, constraining fiscal capacity for grid upgrades, renewable deployment, and managed coal retirement.

Beyond the challenges of domestic price management, transition finance constituted a second binding constraint. In 2025, the government integrated international platforms, notably the Just Energy Transition Partnership, alongside domestic instruments such as climate budget tagging and green sovereign Islamic bonds (green *sukuk*). Implementation, however, was marked by uncertainty. Complex access requirements and unpredictable international disbursement schedules encouraged a preference for instruments deployable through domestic fiscal channels and SOEs. This shift strengthened the Ministry of Finance's role, as tax incentives, customs facilities, and blended-finance arrangements became the principal tools for maintaining project bankability under limited concessional support [Abidin 2025, 26 January]. The reliance on domestic regulatory and fiscal tools also shaped the renewable electricity strategy, which relied heavily on inducements aimed at improving project economics and reducing procurement risk for PLN. Presidential Regulation No. 112/2022 established a national framework for pricing and procurement, shaping contractual terms and revenue expectations for developers. The institutional effect was a more

centralized transition pathway in which large, utility-scale projects aligned with PLN's planning priorities were favoured over decentralized solutions dependent on distribution-level flexibility and local permitting. This configuration reflected the administration's broader preference for controlled infrastructure delivery through state-linked actors. This focus on supply-side infrastructure was complemented by electric mobility policy, which functioned as a demand-side instrument while introducing new fiscal and administrative trade-offs. Presidential Regulation No. 79/2023 expanded the regulatory framework for electric vehicle development, and Ministry of Industry Regulation No. 6/2023 formalized direct government assistance for two-wheeled battery electric vehicle purchases. Together, these measures embedded consumer subsidies and industrial incentives as scaling mechanisms. The political-economic outcome mirrored the wider transition strategy: targeted spending and regulatory preference were used to build domestic markets, at the cost of increased fiscal exposure and monitoring requirements.

While mobility policy addressed end-use shifts, carbon capture and storage – including carbon capture, utilization, and storage (CCS/CCUS) – assumed a prominent role as a designated «bridge» technology for existing industrial assets. Presidential Regulation No. 14/2024 provided a governance framework covering licensing arrangements and designated storage zones, including offshore sites. This expanded state capacity to coordinate CCS/CCUS projects, yet the political-economic implications remained contested. Proponents framed the technology as a means of sustaining fossil-linked industrial activity within an emissions-management framework, while critics pointed to high costs, operational risks, and limited global performance, warning that public resources could be diverted from scalable renewables and community-based energy systems [Hariandja 2024, 8 August]. The attempt to manage emissions while maintaining a commodity-based industrial strategy was further illustrated by bioenergy governance. Biodiesel expansion depended on palm oil fund management and export levy structures. Presidential Regulation No. 132/2024 broadened the mandate of the plantation fund agency, provoking concern among smallholders over governance dilution and access barriers. In 2025, adjustments to export levy rates under Ministry of Finance Regulation No. 30/2025 reshaped the revenue base supporting downstream and biofuel programmes. The resulting political-economic configuration combined fiscal dependence with distributional tension: levy-financed funds underwrote biodiesel expansion, while smallholders faced administrative hurdles and uncertainty over fund allocation priorities [Saputra 2025, 17 January].Overall, the 2025 energy transition followed a state-centred logic in which self-sufficiency functioned as the operational benchmark for political durability. Subsidy regimes, SOE-led investment, and rule-based inducements under presidential regulations formed the institutional core. The central tension lay in implementation:

extensive fiscal commitments to price stability limited the state's capacity to accelerate decarbonization, increasing reliance on bridge technologies and levy-funded bioenergy schemes. This configuration reinforced executive steering over the transition while heightening long-term credibility risks if regulatory designs yield modest emissions reductions, sustained fiscal exposure, or escalating public contestation over land use and fund governance [Syeirazi 2025, 26 August; Abidin 2025, 26 January].

9. *Environment, land, disasters: the political economy of risk*

Indonesia's disaster governance framework is anchored in Law No. 24/2007 on Disaster Management, which defines disasters broadly to include natural, non-natural, and social causes and explicitly links disaster management to development policies that generate risk [Undang-Undang No. 24/2007]. The law assigns the state responsibility for emergency response, prevention, and land-use decisions that produce vulnerability. In practice, however, disaster governance in 2025 operated through a narrowly reactive fiscal mechanism focused on emergency response rather than structural risk reduction. The Ready-to-Use Fund (*Dana Siap Pakai*, DSP) illustrates this orientation. The fund is permanently reserved under the authority of the National Disaster Management Agency (*Badan Nasional Penanggulangan Bencana*, BNPB) and can be deployed once disaster status is declared by executive decision [BNPB n.d.]. Access to DSP resources depends on formal emergency declarations by provincial governments, creating an administrative incentive to treat disasters as episodic events rather than cumulative outcomes of policy choices. As a result, the fiscal architecture privileges speed and flexibility over adequacy, while upstream land-use governance remains largely unaffected. This legal and fiscal arrangement sustains a governance model in which disaster response substitutes for environmental regulation. Emergency financing absorbs political pressure in the immediate aftermath, while development policies that intensify hydrometeorological risk continue without structural adjustment.

The limits of this reactive model were exposed with particular severity during the floods and landslides that struck Aceh, West Sumatra, and North Sumatra from late November 2025. In West Sumatra, provincial authorities declared a two-week emergency status to unlock administrative flexibility and gain access to DSP support, citing the need to bypass licensing and coordination bottlenecks [*Kompas* 2025, 26 November]. The declaration activated a standardised emergency command structure, logistical mobilisation, and inter-agency coordination involving regional disaster agencies, public works offices, and security forces. The scale of destruction quickly exceeded available fiscal instruments. By early January 2026, official data recorded at least 1,177 fatalities and 148 missing persons across the three

provinces, alongside damage to more than 178,000 housing units [*Katadata Databoks* 2026, 5 January]. BNPB estimates placed recovery and reconstruction needs far beyond existing emergency reserves, confirming that DSP coverage addressed only a small share of actual losses. The disparity between legally mandated state responsibility and effective fiscal capacity resulted in prolonged displacement, delayed reconstruction, and heightened rural precarity. The political effect of this mismatch lay in its distributional consequences; emergency funds stabilised provincial administrations and preserved administrative authority, yet they offered limited protection to affected households facing long-term income loss, land dispossession, and social vulnerability.

The catastrophic impact of these events highlights a deeper structural issue: the role of legalised deforestation in the production of disaster risk. Post-disaster investigations indicated that the severity of flooding correlated closely with long-term forest conversion in upstream watersheds. Reporting documented extensive deforestation within licensed concessions, particularly in North Sumatra's Batang Toru watershed, where industrial forestry, mining, and energy projects have altered hydrological systems over decades [*BBC Indonesia* 2025, 30 December]. Satellite imagery showed large-scale forest clearing on steep slopes, sediment accumulation, and disrupted river systems directly upstream from flood-impact zones. These findings underscored a central feature of Indonesia's environmental political economy: the predominance of legal deforestation. State-sanctioned land conversion for plantations, pulpwood, mining, and infrastructure has proceeded under valid permits, spatial plans, and environmental approvals. Enforcement agencies have demonstrated capacity to pursue small-scale illegal activities while systematically tolerating large-scale forest loss embedded in national development priorities. The designation of industrial sites as Vital National Objects has further insulated extractive projects from regulatory intervention. Environmental safeguards are subordinated to production continuity, transforming ecological risk into an externality borne by downstream communities.

Faced with mounting public pressure following these disasters, the government has turned toward post-disaster legalism and a framework of selective accountability. The government activated a post-disaster enforcement framework through the Forest Area Control Task Force (*Satgas Penertiban Kawasan Hutan*), established by Presidential Regulation No. 5/2025. By January 2026, the task force announced investigations into at least twelve corporations suspected of contributing to ecological damage in Sumatra, with potential administrative and criminal sanctions under the Forestry Law [*Kompas* 2026, 8 January]. This enforcement surge marked a turn toward legalist securitisation. Environmental harm became framed as a matter for prosecutorial coordination led by defence, law-enforcement, and security institutions. While the task force collected evidence and imposed temporary suspensions, civil society organisations raised concerns about its structural

orientation. Environmental groups reported cases in which sealed or seized concessions were subsequently transferred to state-linked enterprises without transparent legal basis, environmental reassessment, or community consent [WALHI 2025a]. The mechanism prioritised asset recovery and state control over ecological restoration or community rights. Accountability centred on operators, while the permitting authorities and planning decisions that enabled risk accumulation remained intact.

This surge in enforcement has been matched by an intensification of environmental audits and spatial planning reviews, a process that has paradoxically introduced a significant degree of procedural drift. The Ministry of Environment initiated large-scale environmental audits and reviews of spatial plans in affected provinces, examining alignment between provincial spatial plans and Strategic Environmental Assessments and auditing environmental approvals for more than one hundred firms [Adiningsih 2026]. The reviews formally acknowledged anthropogenic drivers of disaster, including deforestation, land conversion, and cumulative licensing failures. However, the projected duration of these audits, extending well beyond one year, introduced procedural drift. While reviews progressed, extractive activities largely continued, and affected communities absorbed ongoing losses. The burden of proof remained uneven, with communities expected to document harm and tenure claims that the state had historically failed to formalise. Environmental governance thus entered a recursive cycle: disasters prompted audits; audits delayed enforcement; delays preserved existing land-use regimes.

While the crisis in Sumatra exposes the consequences of historical land-use decisions, the frontier expansion in eastern Indonesia illustrates the forward trajectory of land policy and the increasing militarisation of the frontier. The Merauke Food Estate, designated as a National Strategic Project, accelerated forest conversion on an unprecedented scale in Papua. Government approvals authorised the release of hundreds of thousands of hectares of forest for industrial agriculture, bioenergy, and infrastructure in the name of food and energy sovereignty [Adiningsih 2025]. The project relied on administrative land-acquisition mechanisms that marginalised indigenous land rights and bypassed free, prior, and informed consent procedures. Military units were formally integrated into implementation, reinforcing a model in which land conversion, security operations, and development planning became institutionally intertwined. The expansion of military involvement blurred civilian-security boundaries and normalised coercive land governance. The political-economic implication is explicit: ecological risk and social displacement are treated as acceptable costs within a frontier development strategy that prioritizes territorial control, industrial output, and state authority.

The structural deficiencies of state governance are most acutely visible at the household level, where the failure of official disaster response

necessitates community-level substitution. In Aceh Tamiang, residents endured prolonged isolation without formal assistance, relying on improvised shelter, shared resources, and informal solidarity networks [Ramadhani 2025]. These accounts point to resilience as forced self-provision in the absence of timely state support, rather than as an indicator of policy effectiveness. Such episodes highlight the distributive logic of Indonesia's disaster regime: emergency funds stabilise institutions, while communities absorb risk. Solidarity substitutes for welfare, and the structural drivers of disaster remain unresolved. The totality of these dynamics suggests that the political economy of risk has become a consolidated feature of the Indonesian state. The disaster cycle of 2025 shows that Indonesia's environmental governance operates through a configuration in which extractive development generates vulnerability, emergency financing manages immediate fallout, and post-disaster legalism reallocates blame without altering underlying incentives. This configuration delivers short-term fiscal and political stability while steadily eroding ecological resilience and social security. As Indonesia moves into 2026, disaster risk has become a baseline condition of governance rather than an exception. Without a reorientation of land-use authority, licensing regimes, and fiscal priorities, the state's capacity to respond will continue to fall behind the scale of risks it actively produces.

10. *Digital governance and the media ecosystem*

By late 2025, Indonesia's digital governance had consolidated into a layered system combining formal legal enforcement, administrative moderation, and informal coercive pressure. The Prabowo administration articulated this architecture through the doctrine of digital sovereignty (*kedaulatan digital*), explicitly linking information control to national economic resilience and public order. In practice, this framework reconfigured relations between the state, digital platforms, journalists, and citizens by constraining adversarial expression while enlarging the discretionary authority of security and regulatory institutions. The enforcement of this doctrine relies heavily on the use of criminal law as an instrument of digital discipline, a trend exemplified by the prosecution of Laras Faizati, a young activist targeted over her social media posts. In December 2025, prosecutors sought a one-year prison sentence against Laras for social media posts responding to the death of Affan Kurniawan [Salam 2025]. Affan, an app-based delivery worker, died after being struck and run over by a police armoured vehicle during the August protests [Tirto 2025, 29 August]. The indictment drew on incitement provisions in the Criminal Code, particularly Article 161(1), together with elements of the Electronic Information and Transactions Law (UU ITE), recasting emotional and critical online expression as a threat to public order [Salam 2025].

The case points to a broader pattern of legalist securitization. Rather than relying on emergency decrees or overt censorship, the state increasingly deploys routine criminal prosecution to discipline digital speech. The relatively short sentence demanded indicated prosecutorial uncertainty, yet the decision to proceed to trial imposed significant punitive costs through detention, reputational harm, and prolonged legal uncertainty. Deterrence operated through procedure rather than conviction, with the criminal justice process itself functioning as a warning about the limits of permissible criticism. Civil society organizations consistently characterized this pattern as criminalization rather than law enforcement. *Amicus curiae* submissions argued that criticism of state institutions does not meet the legal threshold for hate speech or incitement under domestic law or international human rights standards, particularly Article 19 of the International Covenant on Civil and Political Rights [LBH Jakarta 2025; LBH APIK 2025]. The continuation of proceedings, despite intervention requests from the Police Reform Acceleration Commission, underscored that prosecutorial discretion remained aligned with security priorities rather than rights protection.

Beyond the formal legal realm, the climate of digital governance in 2025 was further defined by a marked escalation in informal coercion and the politics of intimidation targeting journalists, activists, and content creators. These practices included doxing, cyberattacks, symbolic threats, and physical intimidation. The terror campaign against *Tempo's* newsroom in March 2025, involving the delivery of severed animal heads followed by online threats, marked a shift from digital harassment to physical-symbolic violence [*Tempo* 2025, 28 March]. Despite formal police reports, investigations remained inconclusive by the end of the year, reinforcing perceptions of impunity. Comparable dynamics emerged in attacks on investigative journalists reporting on environmental violations and National Strategic Projects. In August 2025, journalists covering a government inspection at a smelter facility in Banten were assaulted by individuals identified as security personnel, directly obstructing journalistic work protected under the Press Law [KKJ 2025]. The absence of swift accountability converted these incidents into an implicit enforcement mechanism, discouraging investigative reporting in industrial and security-sensitive locations.

Doxing became a particularly effective instrument within this coercive environment. In January 2025, Indonesia Corruption Watch reported coordinated doxing attacks against one of its researchers following public criticism of elite corruption, including the circulation of personal identification data and location tracking [ICW and TAUD 2025]. These attacks exposed weaknesses in data protection enforcement and highlighted the consequences of delaying the establishment of an independent Personal Data Protection Authority. The result was a climate of anticipatory compliance, in which critics moderated their speech to limit personal risk. The systemic nature of this intimidation is most acutely revealed in the gendered dimen-

sions of digital repression and the targeting of women journalists. The targeting of Francisca Christy Rosana and other women journalists relied on symbolic violence that exploited social norms around gender and vulnerability. The National Commission on Violence Against Women identified these attacks as forms of proxy intimidation, intended to silence wider journalistic networks by treating women as perceived pressure points [Komnas Perempuan 2025]. This pattern carried structural consequences for media diversity and labour conditions. Women journalists faced heightened exit pressures from investigative reporting, reinforcing newsroom hierarchies and weakening institutional capacity for sustained scrutiny. The state benefited indirectly from this attrition, as critical reporting diminished without the need for formal censorship orders.

These direct forms of pressure are increasingly supplemented by administrative moderation as a parallel channel of information control through platform governance. Content takedown requests under ministerial regulations governing electronic system operators expanded during 2025, increasingly targeting material framed as disruptive to public order or economic stability. Although these mechanisms operated outside the judicial process, enforcement depended on licensing regimes and market access, encouraging platforms to comply in advance. This logic became visible during and after the August protests, when journalists reported pressure to avoid live broadcasting and to frame coverage in «cool» or «calming» terms that diverged from conditions on the ground [AJI 2025]. These interventions relied less on explicit bans than on informal directives and the threat of administrative sanctions. The result was a distortion of information flows, pushing audiences towards unverified social media sources and heightening disinformation risks. These various mechanisms of discipline and control are ultimately synthesized into an economic-security doctrine presented by state officials as digital sovereignty. Official statements from the Ministry of Communication and Digital Affairs framed data control, infrastructure consolidation, and platform regulation as prerequisites for economic independence and stability [Ministry of Communication and Digital Affairs 2024]. This doctrine legitimized expansive state authority over digital infrastructure while subordinating civil liberties to macroeconomic and security objectives. The outcome was a managed public sphere in which criticism remained formally lawful yet materially risky. Legal prosecution, informal intimidation, administrative moderation, and investigative inertia operated together to narrow the range of viable public expression. Dissent persisted, but in fragmented and individualized forms that raised participation costs and weakened collective mobilization.

At the same time, the state's effort to discipline digital discourse confronts an information environment that is more fragmented than in earlier periods. Younger, digitally literate Indonesians, particularly urban and foreign-educated cohorts, increasingly access political commentary through

independent explainer media, podcasts, and trans-platform news formats operating outside official channels. Platforms such as *What Is Up Indonesia* (WIUI) ['What Is Up Indonesia' n.d.], which translate domestic political developments into English-language, youth-oriented formats, illustrate how interpretation of state policy circulates beyond conventional media hierarchies. This dynamic complicates the state's attempt to monopolise narrative control. The effect is a more uneven information order: while legal and administrative controls raise the cost of dissent, they do not fully contain how political meaning is produced, shared, and contested across generational and linguistic divides.

By the end of 2025, Indonesia's digital governance reflected a consolidated system of control blending law, bureaucracy, and coercion. The Laras Faizati case, unresolved terror against media institutions, escalating doxing, and sustained pressure on journalists during mass protests pointed to a stable model of legalist repression. Blanket censorship was unnecessary; selective enforcement and tolerated intimidation achieved comparable effects at lower political cost. As Indonesia entered 2026, the durability of this configuration hinged on two unresolved variables: whether impunity for digital intimidation would persist, and whether an independent data protection authority would be established with genuine enforcement capacity. In the absence of such counterweights, digital sovereignty risked becoming a standing rationale for the structural erosion of media freedom and civic participation.

11. *Foreign policy and regional strategy: hedging under new leadership*

In 2025, Indonesia's foreign policy departed from the restrained, domestically anchored pragmatism associated with the late Jokowi period and moved towards a more personalized and assertive form of executive-led diplomacy. Under President Prabowo Subianto, the doctrine of «free and active» (*bebas aktif*) has been reoriented into a strategy of hedging that accepts ambiguity and elevated risk when these appear to advance short-term economic or security objectives. This shift has exposed structural vulnerabilities within the Ministry of Foreign Affairs (*Kementerian Luar Negeri*, Kemlu), which has been increasingly sidelined by an activist presidential palace and a diplomatic apparatus organized around political loyalty. This personalized and assertive diplomatic style is underpinned by a consequential concentration of foreign policy decision-making within the president's inner circle, effectively marginalizing the professional diplomatic corps at Pejambon.

Although Kemlu remains the formal locus of Indonesia's diplomacy, its role has narrowed from strategic formulation to downstream coordination, tasked primarily with translating presidential initiatives into adminis-

tratively workable positions. This shift was crystallized by the appointment of Sugiono as foreign minister. As Jefferson Ng observes, Sugiono's standing as a senior loyalist from the president's Gerindra Party positions him less as an autonomous policy actor than as a political synchronizer, charged with ensuring bureaucratic alignment with the administration's «Red and White» agenda rather than providing professionally mediated strategic advice [Ng 2025, 27 December]. This institutional reconfiguration has produced a diplomatic style that frequently outpaces internal coordination. Several prominent initiatives in 2025, including proposals related to the evacuation of Gazan civilians and Indonesia's move to join BRICS, were driven directly from the palace with limited evidence of comprehensive fiscal, legal, or diplomatic assessment. The absence of a robust internal staffing process to scrutinize presidential initiatives has generated a pattern of policy drift, in which expansive narratives of Global South leadership sit uneasily with the technical constraints of international law and trade economics [Basuki 2025, 22 September]. The clearest indication of Kemlu's diminished influence and the hazards of unmediated presidential diplomacy emerged from the controversy surrounding the November 2024 Indonesia-China Joint Statement and its repercussions throughout 2025. During President Prabowo Subianto's visit to Beijing, Indonesia agreed to pursue «joint development» in areas described as involving «overlapping claims». This formulation departed from Indonesia's long-standing diplomatic position, which has consistently rejected the existence of overlapping maritime claims with China's «nine-dash line», grounding its stance in the 1982 United Nations Convention on the Law of the Sea (UNCLOS).

At the strategic level, this language constituted a significant concession. By acknowledging «overlapping claims», Jakarta opened discursive space for Beijing's historical assertions and enabled China to frame the agreement as implicit validation of its South China Sea narrative [Firdaus 2024, 13 November]. Analysts described the episode as a diplomatic gain for China, achieved without formal alteration of Indonesia's legal position but carrying substantial symbolic weight [Darmawan 2025, 19 May]. Kemlu's subsequent clarification, which asserted that the joint statement did not amount to recognition of China's claims, failed to contain the damage. Once such language enters an official bilateral document, subsequent reinterpretation cannot fully retract the political and legal signals already conveyed [Basundoro 2025]. The episode points to a broader shift in foreign policy practice: strategic ambiguity has been deployed as a transactional instrument, with sovereignty-related language treated as negotiable in return for economic incentives and large-scale investment commitments. At the regional level, this approach risks eroding Indonesia's credibility among ASEAN partners that are direct claimants in the South China Sea disputes. More fundamentally, it illustrates how presidential diplomacy, operating with limited institutional mediation, has begun to displace the caution and consistency that previously underpinned Indonesia's maritime posture.

12. *Conclusion: scenarios and signposts*

As Indonesia enters 2026, the Prabowo administration has moved beyond its initial post-inauguration phase into a period shaped by the material consequences of its «Red and White» nationalist agenda. The central analytical problem is the durability of a governing model that has favoured expansive populist programmes and executive centralization at the expense of fiscal caution and procedural restraint. The question is no longer one of political intent, but of structural capacity. As flagship policies shift from announcement to implementation, the administration faces a tipping point at which its 8 per cent growth ambition must confront a global economy marked by volatile trade patterns and the accumulating costs of domestic distributive commitments.

One plausible trajectory for 2026 is the consolidation of the «Red and White» state, a scenario in which flagship initiatives are stabilized and embedded within the administrative machinery of government. The Free Nutritious Meal programme remains the central test case; for 2026, the government has raised the programme's allocation to approximately Rp 335 trillion, with a stated target of reaching more than 80 million beneficiaries [*CNN Indonesia* 2025, 15 August]. The viability of this trajectory rests on whether the newly established *Badan Gizi Nasional* (BGN) can demonstrate administrative competence proportionate to the scale of its fiscal mandate. This social expansion is intended to be underwritten by the operational maturation of Danantara, which by early 2026 is expected to move beyond the institutional rebranding of its inaugural year and begin managing its initial investment portfolio. The anticipated "Danantara effect" depends on its capacity to extract substantial returns from state-owned enterprises in support of the administration's development agenda [*Jakarta Post* 2025, 8 May]. If Danantara succeeds in generating the targeted USD 50 billion in annual dividends without weakening SOE balance sheets, it would provide a powerful off-budget financing channel, enabling continued support for strategic projects, including the Merauke Food Estate, while preserving formal compliance with the statutory budget deficit ceiling.

A second, and arguably more probable, trajectory is one of fiscal and administrative exhaustion, where the internal tensions of the expanded cabinet structure and programme-heavy agenda become increasingly difficult to manage. The 2026 State Budget (APBN) sets a deficit target of 2.68 per cent of GDP, leaving limited margin for fiscal slippage [MUC Consulting 2025, 24 September]. The principal vulnerability lies on the revenue side; government projections assume revenue growth of 9.8 per cent over 2025, a target widely described as ambitious given subdued commodity prices and the likely dampening effect of the 12 per cent Value Added Tax (PPN) on domestic consumption [Brights Institute 2025, 19 August]. This risk is compounded by the administration's explicitly pro-growth fiscal stance, with sig-

nals from Finance Minister Purbaya Yudhi Sadewa suggesting a willingness to relax the discipline that characterized fiscal management in the previous decade. If growth targets of 5.4 per cent are prioritized over debt sustainability, the likelihood of fiscal slippage increases. Debt-service obligations, projected to absorb close to 16 per cent of total expenditure in 2026, further constrain fiscal room for productive investment [Brights Institute 2025, 19 August]. Under these conditions, the government may be forced to choose between scaling back populist commitments or breaching the statutory 3 per cent deficit limit – an outcome likely to unsettle financial markets and weaken Indonesia's fiscal credibility.

A decisive signpost for 2026 remains the institutionalization of dissent through the implementation of the revised Criminal Code (*Kitab Undang-Undang Hukum Pidana*, KUHP), which became fully operational in January. Patterns of enforcement under provisions relating to the defamation of state institutions and hostility against the state will serve as a key indicator of the regime's tolerance for political contestation. A rise in routine prosecutions of activists and critics would suggest that the process of legalist securitization identified earlier has reached a mature phase, in which adversarial politics is reframed as a threat to national resilience. These constraints on democratic space are reinforced by proposals to revise the General Elections Law, particularly initiatives aimed at further centralizing electoral management or limiting judicial intervention in regional electoral disputes. Moves in this direction would mark a departure from the decentralized settlement of the *Reformasi* era and consolidate a more top-down democratic model aligned with the interests of the national governing coalition.

The year 2026 will also serve as a multi-alignment test, being the first full year of Indonesia's BRICS membership. This provides an early trial of Prabowo's effort to pursue growth-oriented diplomacy while maintaining Indonesia's long-standing "free and active" posture. Deng Huiru and Alexander R. Arifianto note that Prabowo confirmed full BRICS membership early in his presidency, with potential access to the New Development Bank offering an additional source of infrastructure and development finance perceived as less politically conditional than Western alternatives [Deng and Arifianto 2025, 4-5]. At the same time, they caution that BRICS membership carries geopolitical risks, as Western governments may interpret the move as a shift away from non-alignment amid intensifying great-power competition. The practical issue for 2026 is whether Indonesia's strategy of "multi-alignment" remains a credible balancing act or begins to resemble a transactional tilt driven by short-term economic considerations. The same RSIS analysis warns that an economy-first diplomatic posture risks eroding Indonesia's traditional hedging strategy and could complicate relations with the United States [Deng and Arifianto 2025]. For observers tracking Indonesia's parallel ambitions to accede to the OECD, the implication is clear: if BRICS-related financial and diplomatic choices are read externally

as repositioning against the liberal international order, political support for the OECD track may weaken even before technical compliance becomes the main obstacle. The decisive signposts in 2026 will therefore lie in concrete trade-offs – specifically, how far alternative financing and strategic partnerships can expand without provoking retaliatory pressure from major Western partners.

The outlook for 2026 suggests that the Prabowo administration has constructed a governing model calibrated for high growth and tight political control. While this configuration delivered a measure of stability in 2025, the fiscal, environmental, and institutional pressures of 2026 are likely to be more exacting. The «Red and White» project has moved beyond campaign rhetoric into a costly governing reality that demands sustained administrative precision and favourable fiscal conditions – an alignment rarely maintained over time in Indonesia. Whether the administration achieves a consolidated transition or encounters a fiscal and administrative wall will depend on its ability to align nationalist ambition with material constraints. The key signposts are identifiable: the budget deficit, the performance of Danantara's dividends, and patterns of enforcement under the KUHP. In 2026, the «Red and White» model will face its first serious test of endurance, determining whether Indonesia's new trajectory represents a durable path towards resilience or an expansion that conceals deepening structural vulnerabilities.

Bibliography

'Keputusan Menteri Energi dan Sumber Daya Mineral Nomor 385.K/BN.05/MEM.S/2025 tentang Objek Vital Nasional Bidang Energi dan Sumber Daya Mineral (Ministerial Decree of the Ministry of Energy and Mineral Resources No. 385.K/BN.05/MEM.S/2025 on National Vital Objects in the energy and mineral resources sector).' 25 November.

'Peraturan Menteri Keuangan No. 30/2025 tentang Tarif Layanan Badan Pengelola Dana Perkebunan.' (Minister of Finance Regulation No. 30/2025 on Service Tariffs of the Plantation Fund Management Agency).

'Peraturan Menteri Perindustrian No. 6/2023 tentang Bantuan Pemerintah untuk Kendaraan Bermotor Listrik Berbasis Baterai Roda Dua.' (Minister of Industry Regulation No. 6/2023 on Government Assistance for Two-Wheeled Battery Electric Vehicles).

'Peraturan Presiden No. 112/2022 tentang Percepatan Pengembangan Energi Terbarukan untuk Penyediaan Tenaga Listrik.' (Presidential Regulation No. 112/2022 on the Acceleration of Renewable Energy Development for Electricity Supply).

'Peraturan Presiden No. 14/2024 tentang Penyelenggaraan Kegiatan Penangkapan dan Penyimpanan Karbon.' (Presidential Regulation No. 14/2024 on the Governance of Carbon Capture and Storage Activities).

'Peraturan Presiden No. 79/2023 tentang Perubahan atas Peraturan Presiden Percepatan Kendaraan Bermotor Listrik.' (Presidential Regulation No. 79/2023 amending the Regulation on the Acceleration of Electric Vehicles).

'Peraturan Presiden Republik Indonesia Nomor 95 Tahun 2018 tentang Sistem Pemerintahan Berbasis Elektronik' (Presidential Regulation of the Republic of Indonesia No. 95/2018 on Electronic-Based Government Administration).

'Putusan Mahkamah Konstitusi Nomor 114/PUU-XXIII/2025' (Constitutional Court Decision No. 114/PUU-XXIII/2025).

'Undang-Undang Republik Indonesia Nomor 22 Tahun 2001 tentang Minyak dan Gas Bumi.' (Law of the Republic of Indonesia No. 22/2001 on Oil and Natural Gas).

'Undang-Undang Republik Indonesia Nomor 24 Tahun 2007 tentang Penanggulangan Bencana' ('Law of the Republic of Indonesia No. 24/2007 on Disaster Management').

'Undang-Undang Republik Indonesia Nomor 1 Tahun 2023 tentang Kitab Undang-Undang Hukum Pidana' (Law of the Republic of Indonesia No. 1/2023 on the Criminal Code).

'Undang-Undang Republik Indonesia Nomor 2 Tahun 2002 tentang Kepolisian Negara Republik Indonesia' (Law of the Republic of Indonesia No. 2/2002 on the Indonesian National Police).

Abidin, M. Zainul. 2025, 26 January, 'Dana Iklim Terkendala' (Climate Finance Faces Constraints). Kompas. https://www.kompas.id/artikel/dana-iklim-terkendala

Adiningsih, Yulia. 2025, 14 November, 'Food Estate Merauke Perparah Marginalisasi Orang Papua' ('The Merauke Food Estate Worsens the Marginalisation of Papuans'). Mongabay Indonesia. https://mongabay.co.id/2025/11/14/food-estate-merauke-perparah-marginalisasi-orang-papua/

AJI (Aliansi Jurnalis Independen), 2025, 1 September, 'Jurnalis Dibungkam: Kekerasan dan Intervensi Warnai Aksi 25-30 Agustus 2025' ('Journalists Silenced: Violence and Intervention during the 25-30 August 2025 Protests'). Independen.id https://independen.id/jurnalis-dibungkam-kekerasan-dan-intervensi-warnai-aksi-25-30-agustus-2025

Amnesty Indonesia, 2025, n.d., 'Tolak proyek penulisan "Sejarah Resmi" Indonesia!' (Reject the "official history" writing project in Indonesia!). https://www.amnesty.id/kerja-amnesty/petisi-aksi/

Anderson, Benedict R. O'G. 2006. Language and Power: Exploring Political Cultures in Indonesia. Jakarta: Equinox Publishing.

Anggoro, Syahriza Alkohir. 2020. 'Rule of Law, Neoliberalisme dan Proyek Reformasi Hukum World Bank: Perspektif Critical Legal Studies.' (Rule of Law, Neoliberalism and World Bank Legal Reform Projects: A Critical Legal Studies Perspective) *Jurnal Hukum & Pembangunan* 50 (1): 268-288. https://doi.org/10.21143/jhp.vol50.no1.2502.

Aspinall, Edward, and Ward Berenschot. 2018. *Democracy for Sale: Elections, Clientelism and the State in Indonesia*. Ithaca, NY: Cornell University Press.

Avisena, M., 2025, 10 October, 'DPR Lemah, Pemerintah Dinilai Melaju Tanpa Kontrol' (A weak DPR allows the government to advance without oversight). https://mediaindonesia.com/politik-dan-hukum/822149/dpr-lemah-pemerintah-dinilai-melaju-tanpa-kontrol

Baker, Jacqueline. 2012. 'The rise of Polri: Democratisation and the political economy of security in Indonesia.' PhD diss., London School of Economics and Political Science.

Basuki, Tobias. 2025, 22 September, 'Indonesia's Messy Gado-Gado Foreign Policy under Prabowo Subianto'. Heinrich Böll Foundation Southeast Asia. https://th.boell.org/en/2025/09/22/indonesias-messy-gado-gado-foreign-policy-under-prabowo-subianto

Basundoro, Alfin Febrian. 2025, January, 'Indonesia-China Maritime Cooperation and Its Strategic Implications'. RSIS Policy Brief No. CO25003. Singapore: S. Rajaratnam School of International Studies. https://rsis.edu.sg/wp-content/uploads/2025/01/CO25003.pdf

BBC Indonesia, 2024, 1 August, 'Tambang Nikel dan Ancaman terhadap O'Hongana Manyawa di Halmahera' (Nickel mining and the threat to the O'Hongana Manyawa in Halmahera). https://www.bbc.com/indonesia/articles/c1vdw94kkgyo

BBC Indonesia, 2025, 19 February, 'ICW Nilai Danantara Berisiko Perlemah Pengawasan BUMN' (ICW says Danantara risks weakening oversight of SOEs). https://www.bbc.com/indonesia/articles/crmjwn8lpxro

BBC Indonesia. 2025, 30 December, 'Deforestasi di Lahan Konsesi Perusahaan Berperan dalam Banjir dan Longsor di Sumut' ('Deforestation in Corporate Concession Areas Plays a Role in Floods and Landslides in North Sumatra'). https://www.bbc.com/indonesia/articles/c9d9dqn3jg7o

BBC News Indonesia. 2026. 6 January. 'Satu Tahun MBG: Seratusan Yayasan Mitra MBG Terafiliasi dengan Orang Dekat Pejabat'. https://www.bbc.com/indonesia/articles/czxgx1rx2pxo

Berenschot, Ward. 2018. 'The Political Economy of Clientelism: A Comparative Study of Indonesia's Patronage Democracy'. *Comparative Political Studies* 51 (12): 1563-1593. https://doi.org/10.1177/0010414018758756.

BNPB (Badan Nasional Penanggulangan Bencana). n.d., 'Bantuan Dana Siap Pakai (DSP)' ('Ready-to-Use Fund (DSP)'). https://dsp.bnpb.go.id

Bourchier, David. 2015. *Illiberal Democracy in Indonesia: The Ideology of the Family State*. London: Routledge.

BPS. 2025, 5 November, 'Pertumbuhan Ekonomi Triwulan III-2025' (Economic growth, Q3 2025). *Berita Resmi Statistik* No. 102/11/Th XXVIII.

Brights Institute, 2025, 19 August, *'Macro Strategy: The 2026 Proposed Budget – Building Up Momentum'*. https://www.brights.id/en/research-and-news/research-report/macro-strategy-the-2026-proposed-budget-building-up-momentum

CNBC Indonesia, 2025, 2 September, 'RI Dihantam 12 Demo Besar Sepanjang 2025, Ini Detail Tuntutan Rakyat' (Indonesia Hit by 12 Major Demonstrations Throughout 2025: Details of the Public's Demands). https://www.cnbcindonesia.com/research/20250902111244-128-663534/ri-dihantam-12-demo-besar-sepanjang-2025-ini-detail-tuntutan-rakyat

CNBC Indonesia, 2025, 4 March, 'Struktur dan Kewenangan Danantara Diatur dalam PP No. 10/2025' (Danantara's structure and authority are regulated under Government Regulation No. 10/2025). https://www.cnbcindonesia.com/market/20250304123312-17-615468/pp-danantara-terbit-ini-poin-penting-tugas-pengawas-hingga-pelaksana

CNBC Indonesia, 2025, 7 September, '12 Daftar Demonstrasi di RI Sepanjang 2025, Ini Tuntutannya' (Twelve Demonstrations Across Indonesia Throughout 2025: Their Demands). https://www.cnbcindonesia.com/research/20250907081017-128-664740/12-daftar-demonstrasi-di-ri-sepanjang-2025-ini-tuntutannya

CNBC Indonesia. 2025. 13 November. Andrianto, Robertus. 'Menkes Bocorkan Kepastian Kapan Kelas 1,2,3 BPJS Kesehatan Dihapus'. https://www.cnbcindo-

nesia.com/news/20251113193425-4-685084/menkes-bocorkan-kepastian-kapan-kelas-123-bpjs-kesehatan

CNBC Indonesia. 2025. 6 August. 'Prabowo: Geopolitik & Geoekonomi Rumit, Singgung Perang Hingga Trump'. https://www.cnbcindonesia.com/news/20250806142834-4-655597/prabowo-geopolitik-geoekonomi-rumit-singgung-perang-hingga-trump

CNN Indonesia, 2024, 1 November, 'Kemlu Klarifikasi soal Status Indonesia di BRICS' (Foreign Ministry clarifies Indonesia's status in BRICS). https://www.cnnindonesia.com/internasional/20241101103149-106-1161851/kemlu-klarifikasi-soal-status-indonesia-di-brics

CNN Indonesia, 2024, 15 November, 'Mampukah Endorsemen Jokowi Dongkrak Suara Paslon di Pilkada 2024' (Can Jokowi's endorsement boost candidate-pair votes in the 2024 regional elections?). https://www.cnnindonesia.com/nasional/20241115090437-617-1166847/mampukah-endorsemen-jokowi-dongkrak-suara-paslon-di-pilkada-2024

CNN Indonesia, 2025, 15 August, *'Wamenkeu Bocorkan Alasan Anggaran MBG Naik Jadi Rp335 T di 2026'* ('Deputy Finance Minister Reveals Reasons for MBG Budget Increase to Rp335 Trillion in 2026'). https://www.cnnindonesia.com/ekonomi/20250815181612-532-1262982/wamenkeu-bocorkan-alasan-anggaran-mbg-naik-jadi-rp335-t-di-2026

Daneswara, Muhammad Rizky, and Muhammad Taufiq Aulia Nasution. "Rethinking Indonesia's Defense Strategy: Aligning the Total People's Defense (Sishankamrata) with Contemporary Defense Challenges." *The Indonesian Quarterly* 52, no. 4 (2025): 357-382.

Darmawan, Aristyo Rizka, 2025, 31 May, 'Prabowo's flawed logic on the Natuna joint development proposal'. *East Asia Forum*. https://eastasiaforum.org/2025/05/31/prabowos-flawed-logic-on-the-natuna-joint-development-proposal/

Darmawan, Aristyo Rizka. 2025, 19 May, 'Prabowo Chooses Ambiguity in South China Sea Policy'. *The Strategist* (Australian Strategic Policy Institute). https://www.bairdmaritime.com/security/naval/opinion-indonesias-prabowo-chooses-ambiguity-in-south-china-sea-policy

Deng, Huiru, and Alexander R. Arifianto, 2025, *An Analysis of Indonesia's Foreign Policy under Prabowo: Managing Great Power Relations*. Singapore: S. Rajaratnam School of International Studies, December. https://rsis.edu.sg/wp-content/uploads/2025/12/PR_An-Analysis-of-Indonesias-Foreign-Policy-under-Prabowo-Managing-Great-Power-Relations.pdf

Detik Finance, 2025, 15 June, 'Sudah Ada 7 Lembaga Baru di Pemerintahan Prabowo, Bakal Bertambah Lagi' (Seven new agencies already established under Prabowo's government, with more to come). https://finance.detik.com/berita-ekonomi-bisnis/d-7964573/sudah-ada-7-lembaga-baru-di-pemerintahan-prabowo-bakal-bertambah-lagi

DetikFinance. 2025. 21 May. Ayuningrum, Retno. 'Buruh Minta Prabowo Kaji Ulang KRIS Pengganti Kelas BPJS Kesehatan'. https://finance.detik.com/moneter/d-7924710/buruh-minta-prabowo-kaji-ulang-kris-pengganti-kelas-bpjs-kesehatan

Fathana, Hangga, 2025, 17 March, 'Prabowo and Indonesia's Democratic Crossroads'. *Australian Outlook* (Australian Institute of International Affairs). https://www.internationalaffairs.org.au/australianoutlook/prabowo-and-indonesias-democratic-crossroads/

Feith, Herbert. 1962. *The Decline of Constitutional Democracy in Indonesia*. Ithaca, NY: Cornell University Press.

Fibiger, Mattias. *Suharto's Cold War: Indonesia, Southeast Asia, and the World*. Oxford: Oxford University Press, 2023.

Firdaus, Arie. 2024, 13 November, 'Indonesia, China Sign Maritime Agreement Despite South China Sea Concerns'. *Radio Free Asia*. https://www.rfa.org/english/southchinasea/2024/11/13/indonesia-china-maritime-agreement/

Firman, Tony. 2025. 9 July. 'Mendidik Saintis, Mencetak Innovator: Dukungan LPDP di Bidang STEM untuk Masa Depan Bangsa'. LPDP Kementerian Keuangan RI. https://lpdp.kemenkeu.go.id/en/informasi/berita/mendidik-saintis-mencetak-innovator-dukungan-lpdp-di-bidang-stem-untuk-masa-depan-bangsa

Friawan, Deni. 2025. 'Indonesia's Macroeconomic Paradox: Stable, but Stuck.' *CSIS Commentaries* CSISCOM01125. Jakarta: CSIS Indonesia, 22 July. https://www.csis.or.id/publication/indonesias-macroeconomic-paradox-stable-but-stuck/

Gerakan Rakyat Menggugat PSN (GERAM PSN), 2025, 19 August, 'Korban PSN Menguji Legitimasi Konstitusional Proyek Strategis Nasional' (PSN victims challenge the constitutional legitimacy of National Strategic Projects). https://pusaka.or.id/news/korban-psn-menguji-legitimasi-konstitusional-proyek-strategis-nasional/

Hariandja, Richaldo. 2024, 8 August, 'Begini Risiko Teknologi Tangkap dan Simpan Karbon' (The Risks of Carbon Capture and Storage Technology). *Mongabay Indonesia*. https://mongabay.co.id/2024/08/08/begini-risiko-teknologi-tangkap-dan-simpan-karbon/

Hatta, Mohammad. 1948. *Mendayung Antara Dua Karang* (Rowing Between Two Reefs). Yogyakarta: Pidato di muka sidang Badan Pekerja Komite Nasional Pusat (BPKNP) (Speech before the session of the Working Committee of the Central Indonesian National Committee).

Hendranata, Anton. 2025, 24 January. 'Tantangan Pertumbuhan Ekonomi 2025' (The Challenges of Economic Growth in 2025). *Kompas*. https://www.kompas.id/artikel/tantangan-pertumbuhan-ekonomi-2025

Heryanto, Ariel. 2021, 26 June. 'Gila Hormat.' *Kompas.id*, https://www.kompas.id/artikel/gila-hormat-2

ICW (Indonesia Corruption Watch) and TAUD, 2025, 14 January, 'ICW dan TAUD Laporkan Kasus Doxing ke Polri' ('ICW and TAUD Report Doxing Case to the Police'). *Antikorupsi.org* https://antikorupsi.org/id/icw-dan-taud-laporkan-kasus-doxing-ke-polri-bareskrim-polri-harus-tindak-pelaku-serangan-digital

INA (Indonesia Investment Authority), 2025, 28 May, 'Supporting Nickel Downstream Industry in Indonesia: Danantara Indonesia and INA Announce Strategic Partnership with Eramet'. https://www.ina.go.id/press-release/supporting-nickel-downstream-industry-in-indonesia-danantara-indonesia-and-ina-announce-strategic-partnership-with-eramet/

Indonesia Corruption Watch (ICW), 2025, 16 April, 'Pemungutan Suara Ulang Pilkada Rawan Kecurangan' (Repeat voting in local elections prone to fraud). https://antikorupsi.org/id/pemungutan-suara-ulang-pilkada-rawan-kecurangan

Indonesia Corruption Watch, 2025, 8 May, 'Pasca UU BUMN Terbaru, Korupsi di Perusahaan Pelat Merah Akan Semakin Menjamur' (After the latest SOE Law, corruption in state-owned firms will become more rampant). https://

antikorupsi.org/id/pasca-uu-bumn-terbaru-korupsi-di-perusahaan-pelat-merah-akan-semakin-menjamur

Indonesia, Ministry of Communication and Informatics. 2020. 'Peraturan Menteri Komunikasi dan Informatika Republik Indonesia Nomor 5 Tahun 2020 tentang Penyelenggara Sistem Elektronik Lingkup Privat (Ministerial Regulation of the Ministry of Communication and Informatics No. 5/2020 on Private Electronic System Operators).'

Instruksi Presiden Nomor 9 Tahun 2025 tentang Percepatan Pembentukan Koperasi Desa Merah Putih (Presidential Instruction No. 9/2025 on accelerating the establishment of "Red and White" Village Cooperatives).

Izzati, Nabiyla Risfa, Suci Lestari Yuana, and Izzudin Al Farras Adha, under the responsibility of Imaduddin Abdullah. 2025. *Narik Tiap Hari, Hak Perlu Dihargai: Rekomendasi untuk RUU Pekerja Platform Indonesia* (Driving Every Day, Rights Must Be Respected: Policy Recommendations for Indonesia's Platform Workers Bill). Jakarta: Institute for Development of Economics and Finance (INDEF), 12 November. https://indef.or.id/publikasi/narik-tiap-hari-hak-perlu-dihargai-rekomendasi-untuk-ruu-pekerja-platform-indonesia/

Jakarta Globe, 2025, 28 May, 'Danantara, INA Ink Nickel Deal with Eramet'. https://jakartaglobe.id/business/danantara-ina-ink-nickel-deal-with-eramet

The Jakarta Post, 2025, 9 September, 'Sri Mulyani Ousted in Major Reshuffle'. https://www.thejakartapost.com/indonesia/2025/09/09/sri-mulyani-ousted-in-major-reshuffle.html

The Jakarta Post, 2025, 8 May, *'Danantara Effect Risks Creating a Mirage of Economic Salvation'*. https://www.thejakartapost.com/business/2025/05/08/danantara-effect-risks-creating-a-mirage-of-economic-salvation.html

Joshua, Norman. 2024, 17 December. "The Ghosts of Past Autocrats in Prabowo's Indonesia?" *Critical Asian Studies* (Commentary). https://doi.org/10.52698/SFZQ8247.

Katadata Databoks. 2026, 5 January, '1.177 Orang Meninggal dan 148 Hilang karena Bencana Sumatra' ('1,177 Dead and 148 Missing due to the Sumatra Disasters'). https://databoks.katadata.co.id/lingkungan/statistik/695b0377c99d8/1177-orang-meninggal-dan-148-hilang-karena-bencana-sumatra-5-januari-2026

Kementerian Sekretariat Negara Republik Indonesia, 2025, 7 February, 'Presiden Prabowo: Kekuatan Pertahanan Penting dalam Menjaga NKRI' (President Prabowo: Defence strength is important to safeguard the Republic of Indonesia). https://www.setneg.go.id/baca/index/presiden_prabowo_kekuatan_pertahanan_penting_dalam_menjaga_nkri

King, Gemma, 2025, 5 May, 'Six Months of Prabowo: Indonesia's Diplomatic Charm Offensive'. *New Perspectives on Asia* (Center for Strategic and International Studies). https://www.csis.org/blogs/new-perspectives-asia/six-months-prabowo-indonesias-diplomatic-charm-offensive

KKJ (Komite Keselamatan Jurnalis), 2025, 25 August, 'Kekerasan Brutal atas Jurnalis di Serang adalah Serangan atas Kemerdekaan Pers' ('Brutal Violence against Journalists in Serang Is an Attack on Press Freedom'). https://www.amnesty.id/kabar-terbaru/siaran-pers/kkj-kekerasan-brutal-atas-jurnalis-di-serang-adalah-serangan-atas-kemerdekaan-pers-aparat-harus-diadili/08/2025/

Komnas Perempuan, 2025, 21 March, 'Pernyataan Sikap Merespons Intimidasi kepada Jurnalis Perempuan' ('Statement Responding to Intimidation against

Women Journalists'). https://komnasperempuan.go.id/pernyataan-sikap-detail/pernyataan-sikap-komnas-perempuan-merespons-intimidasi-kepada-jurnalis-perempuan

Kompas, 2024, 26 September, 'Mengapa Pemerintah Gencar Mendorong Hilirisasi dan Pembangunan Smelter' (Why the government is intensifying downstreaming and smelter construction). https://www.kompas.id/artikel/mengapa-pemerintah-gencar-mendorong-hilirisasi-dan-pembangunan-smelter

Kompas, 2024, 26 September, 'Mengapa Pemerintah Gencar Mendorong Hilirisasi dan Pembangunan Smelter' (Why the government is intensifying downstreaming and smelter construction). https://www.kompas.id/artikel/mengapa-pemerintah-gencar-mendorong-hilirisasi-dan-pembangunan-smelter

Kompas, 2025, 1 April, 'Matinya Teknokratisme dalam Pragmatisme Politik Prabowo' (The death of technocracy in Prabowo's political pragmatism). https://www.kompas.id/artikel/matinya-teknokratisme-dalam-pragmatisme-politik-prabowo

Kompas, 2025, 1 April, 'Siklus Otoritarianisme' (The cycle of authoritarianism). https://www.kompas.id/artikel/siklus-otoritarianisme

Kompas, 2025, 16 August, 'RAPBN 2026: Mampukah Mewujudkan Kesejahteraan Rakyat dan Menjawab Tantangan Global?' (The 2026 draft state budget: Can it deliver public welfare and respond to global challenges?). https://www.kompas.id/artikel/en-rapbn-2026-mampukah-mewujudkan-kesejahteraan-rakyat-dan-menjawab-tantangan-global

Kompas, 2025, 21 April, 'Matinya Teknokratisme dalam Pragmatisme Politik Prabowo' (The death of technocracy in Prabowo's political pragmatism). https://www.kompas.id/artikel/matinya-teknokratisme-dalam-pragmatisme-politik-prabowo

Kompas, 2025, 6 May, 'Ketika Prabowo Tegaskan Bukan Boneka Jokowi' (When Prabowo insists he is not Jokowi's puppet). https://nasional.kompas.com/read/2025/05/06/05310081/ketika-prabowo-tegaskan-bukan-boneka-jokowi?page=all

Kompas. 2025, 26 November, 'Diterjang Banjir dan Longsor, Sumbar Tetapkan Dua Pekan Darurat Bencana' ('Hit by Floods and Landslides, West Sumatra Declares Two-Week Disaster Emergency'). https://www.kompas.id/artikel/diterjang-banjir-dan-longsor-sumbar-tetapkan-dua-pekan-darurat-bencana

Kompas. 2026, 8 January, 'Satgas PKH: 12 Perusahaan Diduga Sebabkan Bencana Ekologis di Sumatera' ('Forest Area Control Task Force: 12 Companies Suspected of Causing Ecological Disasters in Sumatra'). https://www.kompas.id/artikel/satgas-pkh-12-perusahaan-diduga-kuat-sebabkan-bencana-ekologis-di-sumatera

Kumparan, 2025, 19 September, 'Jokowi: Sejak Awal Saya Sampaikan ke Relawan Dukung Prabowo-Gibran Dua Periode' (Jokowi: From the start I told volunteers to support Prabowo-Gibran for two terms). https://kumparan.com/kumparannews/jokowi-sejak-awal-saya-sampaikan-ke-relawan-dukung-prabowo-gibran-2-periode-25srLA3qlwS

Kusumawati, Mustika Prabaningrum. 2025. 1 May. 'Memanusiakan Pekerja Kontrak' (Humanising Contract Workers). *Kompas*. https://www.kompas.id/artikel/memanusiakan-pekerjaburuh-kontrak

LBH APIK, 2025, 5 November, 'Siaran Pers: Perjuangkan Perempuan Tahanan Politik' ('Press Release: Defending Women Political Detainees'). https://www.lbhapik.org/tulisan-detail/137

LBH Jakarta, 2025, 16 December, 'Kemarahan Warga adalah Ekspresi yang Sah: Amicus Curiae Laras Faizati' ('Public Anger Is a Legitimate Expression: Amicus Curiae for Laras Faizati'). https://bantuanhukum.or.id/kemarahan-warga-adalah-ekspresi-yang-sah-bebaskan-laras-karena-laras-adalah-kita/

Leifer, Michael. 1983. *Indonesia's Foreign Policy*. London: Allen & Unwin.

Lembaga Bantuan Hukum Jakarta (LBH Jakarta), 2025, 22 October, '7 Catatan LBH Jakarta untuk Satu Tahun Kepemimpinan Prabowo-Gibran' (Seven notes from LBH Jakarta on one year of Prabowo-Gibran leadership). https://bantuanhukum.or.id/7-catatan-lbh-jakarta-untuk-satu-tahun-kepemimpinan-prabowo-gibran/

Lev, Daniel S. 1978. 'Judicial Authority and the Struggle for an Indonesian *Rechtsstaat*.' *Law & Society Review* 13 (1): 37-71. https://doi.org/10.2307/3053242.

LP3ES, 2025, 2 June, 'Gerakan Mahasiswa dan Represi Negara' (*Student movements and state repression*). https://www.lp3es.or.id/2025/06/02/gerakan-mahasiswa-dan-represi-negara/

LPEM FEB UI (Kelompok Kajian Makroekonomi, Keuangan, dan Ekonomi Politik). 2025. *Indonesia Economic Outlook Q2-2025: Memasuki Pertumbuhan di Bawah 5* (Indonesia Economic Outlook Q2-2025: Entering a Phase of Sub-5 Per Cent Growth). Jakarta: LPEM FEB UI. https://lpem.org/indonesia-economic-outlook-q2-2025/

Maulida, Syifa. 2025. 16 September. 'LPDP Prioritaskan Beasiswa untuk Jurusan STEM: Di Balik Salah Kaprah Negara Melihat Jurusan Humaniora'. *Magdalene*. https://magdalene.co/story/polemik-prioritas-jurusan-stem-dalam-aturan-baru-lpdp/

McGregor, Katherine E. 2007. *History in Uniform: Military Ideology and the Construction of Indonesia's Past*. Singapore: NUS Press.

Media Indonesia, 2025, 10 October, 'DPR Lemah, Pemerintah Dinilai Melaju Tanpa Kontrol' (A weak DPR allows the government to advance without oversight). https://mediaindonesia.com/politik-dan-hukum/822149/dpr-lemah-pemerintah-dinilai-melaju-tanpa-kontrol

Mietzner, Marcus. 2025. 'Elite Collusion in Indonesia: How It Has Both Enabled and Limited Executive Aggrandizement.' *The ANNALS of the American Academy of Political and Social Science* 712 (1): 223-234. https://doi.org/10.1177/00027162241309436.

Ministry of Communication and Digital Affairs, 2024, 11 November, 'Wamen Nezar Patria: Kedaulatan Digital Jadi Kunci Ketahanan Ekonomi Nasional' ('Vice Minister Nezar Patria: Digital Sovereignty Is Key to National Economic Resilience'). https://www.komdigi.go.id/berita/siaran-pers/detail/wamen-nezar-patria-kedaulatan-digital-jadi-kunci-ketahanan-ekonomi-nasional

Mongabay, 2024, 26 December, 'Catatan Akhir Tahun: Kala Proyek Nasional Picu Pelanggaran HAM dan Rusak Lingkungan' (*Year-end note: When national projects trigger human rights violations and environmental damage*). https://mongabay.co.id/2024/12/26/catatan-akhir-tahun-kala-proyek-nasional-picu-pelanggaran-ham-dan-rusak-lingkungan/

MUC Consulting, 2025, 24 September, *'House of Representatives Passes 2026 State Budget Law, Here Are the Structure and Targets'*. https://muc.co.id/en/article/house-of-representatives-passes-2026-state-budget-law-here-are-the-structure-and-targets

NBIM (Norges Bank Investment Management), 2025, 12 September, 'Decision on Exclusion'. https://www.nbim.no/en/news-and-insights/the-press/press-releases/2025/decision-on-exclusion/

Ng, Jefferson. 2025, 27 December, 'Prabowo's Active Diplomacy Requires Stronger Institutional Alignment'. *East Asia Forum*. https://eastasiaforum.org/2025/12/27/prabowos-active-diplomacy-requires-stronger-institutional-alignment/

Nugraha, Dimas Waraditya. 2025, 22 August. 'Pemerintah Akan Tarik Utang Rp 782 Triliun pada 2026' (The Government Will Raise Rp 782 Trillion in New Debt in 2026). *Kompas*. https://www.kompas.id/artikel/utang-baru-rp-7819-triliun-risiko-fiskal-kian-berat

Paranata, Ade. 2025. 'A Systematic Literature Review of Anti-corruption Policy: A Future Research Agenda in Indonesia'. *Public Organization Review* 25: 1181-1214. https://doi.org/10.1007/s11115-025-00847-8.

Peraturan Pemerintah Republik Indonesia Nomor 38 Tahun 2025 tentang Pemberian Pinjaman oleh Pemerintah Pusat (Government Regulation of the Republic of Indonesia No. 38/2025 on the provision of loans by the central government).

Project Multatuli. 2025. 30 September. 'Keracunan Nasional MBG: Anak-Anak Membayar Mahal Kelalaian Negara' (The National MBG Poisoning: Children Pay a High Price for State Negligence). https://projectmultatuli.org/keracunan-nasional-mbg-anak-anak-membayar-mahal-kelalaian-negara/

Ramadhani, Mafa Yulie. 2025, 16 December, 'Dikepung Banjir di Gang Cendana: 134 Orang, Satu Rumah, Satu Doa' ('Surrounded by Floods in Gang Cendana: 134 People, One House, One Prayer'). *Project Multatuli*. https://projectmultatuli.org/dikepung-banjir-di-gang-cendana-134-orang-satu-rumah-satu-doa/

Remotivi, 2025, 5 November, 'Tahun Pertama Pemerintahan Prabowo-Gibran: Menguatnya Intervensi Negara atas Ekspresi Warga di Media Sosial' (*Prabowo-Gibran's first year: Growing state intervention in citizens' expression on social media*). https://www.remotivi.or.id/artikel/mejaredaksi/870

Reuters, 2025, 8 September, 'Indonesia Replaces Respected Finance Minister with Economist Promising Rapid Growth'. https://www.reuters.com/world/asia-pacific/indonesia-replaces-respected-finance-minister-with-economist-promising-rapid-2025-09-08/

Reza, Bhatara Ibnu. "The Total People's Defense and Security System: Problems of State-Sponsored Militia in Indonesia." *Indonesia Law Review* 7, no. 2 (2017): 155-177. https://doi.org/10.15742/ilrev.v7n2.319

Robison, Richard, and Vedi R. Hadiz. 2004. *Reorganising Power in Indonesia: The Politics of Oligarchy in an Age of Markets*. London: Routledge.

Rodan, Garry. 2018. *Participation without Democracy: Regulating Social Contention in Southeast Asia*. Ithaca, NY: Cornell University Press.

SAFEnet, 2025, 19 June, 'Hentikan Takedown Sewenang-wenang: Ancaman Serius bagi Kebebasan Berekspresi' (*Stop arbitrary takedowns: A serious threat to freedom of expression*). https://safenet.or.id/id/2025/06/hentikan-takedown-sewenang-wenang-ancaman-serius-bagi-kebebasan-berekspresi/

Salam, Hidayat, 2025, 25 December, 'Kasus Laras Faizati, dari Unggahan Media Sosial Berujung Tuntutan 1 Tahun Penjara' ('The Laras Faizati Case: From Social Media Post to a One-Year Prison Demand'). *Kompas*. https://www.kompas.id/artikel/kasus-laras-faizati-dari-unggahan-media-sosial-berujung-tuntutan-1-tahun-penjara

Saputra, Emanuel Edi. 2025, 17 January, 'Petani Sawit Meminta Pemerintah Tunda Ubah BPDPKS Menjadi BPDP' (Palm Oil Farmers Ask Government to Delay Renaming BPDPKS to BPDP). *Kompas*. https://www.kompas.id/artikel/pemerintah-diminta-menunda-perubahan-nomenklatur-bpdpks

Sekretariat Kabinet Republik Indonesia, 2024, 24 October, 'Tiba di Akmil Magelang, Presiden Prabowo Akan Hadiri Retreat Kabinet Merah Putih' (Arriving at the Magelang Military Academy, President Prabowo to attend the Red and White Cabinet retreat). https://www.setneg.go.id/baca/index/tiba_di_akmil_magelang_presiden_prabowo_akan_hadiri_retreat_kabinet_merah_putih

Sekretariat Kabinet Republik Indonesia, 2025, 24 February, 'Presiden Prabowo Tandatangani Tiga Produk Hukum Strategis Investasi Nasional' (President Prabowo signs three strategic legal instruments on national investment). https://setkab.go.id/presiden-prabowo-tandatangani-tiga-produk-hukum-strategis-investasi-nasional-2/

Simanjuntak, R. Z. Panca Putra S., Gusnar I., Dadang Solihin, Tantri S., Andrea H. P., Trismawan Dj., and Sugeng Santoso. 2024. 'Reactualization of National Resilience: A Historical and Conceptual Study'. *Jurnal Lemhannas RI* 12 (1): 65-80. https://doi.org/10.55960/jlri.v12i1.558

Situmorang, Mangadar, 2025, 1 April, 'Siklus Otoritarianisme' (The cycle of authoritarianism). *Kompas.id*. https://www.kompas.id/artikel/siklus-otoritarianisme

Slater, Dan. 2018. 'Party Cartelization, Indonesian-Style: Presidential Power-Sharing and the Contingency of Democratic Opposition'. *Journal of East Asian Studies* 18, no. 1: 23-46. https://doi.org/10.1017/jea.2017.26

Sugiono, Muhadi, 2025, 6 August, 'How Prabowo Is Rewriting Indonesia's Diplomatic Playbook'. *The Diplomat*. https://thediplomat.com/2025/08/how-prabowo-is-rewriting-indonesias-diplomatic-playbook/

Survival International, 2024, 25 November, 'Indonesia: Nickel Mining and Indigenous Peoples'. https://www.survivalinternational.org/news/14100

Syeirazi, M. Kholid. 2025, 26 August, 'Swasembada Energi, Mungkinkah?' (Energy Self-Sufficiency: Is It Feasible?). *Kompas*. https://www.kompas.id/artikel/swasembada-energi-mungkinkah

Tempo, 2025, 12 April, 'Mengenal Serangan Siber DDoS ke Tempo Berkali-kali' (*Understanding the repeated DDoS cyberattacks on Tempo*). https://www.tempo.co/sains/mengenal-serangan-siber-ddos-ke-tempo-berkali-kali-1230346

Tempo, 2025, 15 December, 'Kilas Balik Perjalanan Penulisan Ulang Sejarah RI' (*A retrospective on the rewriting of the Republic of Indonesia's history*). https://www.tempo.co/politik/kilas-balik-perjalanan-penulisan-ulang-sejarah-ri-2098999

Tempo, 2025, 23 December, 'Demokrasi Terpimpin ala Prabowo, Sebentar Lagi' (Prabowo's version of Guided Democracy, coming soon). https://www.tempo.co/kolom/prabowo-pemilihan-kepala-daerah-langsung-2101420

Tempo, 2025, 26 May, 'Mengenal Proyek Pusat Data Nasional' (*Understanding the National Data Centre project*). https://www.tempo.co/hukum/mengenal-proyek-pusat-data-nasional-1544987

Tempo, 2025, 28 March, 'Kronologi Detail Teror Kepala Babi dan Bangkai Tikus untuk Redaksi Tempo' ('Detailed Chronology of the Pig's Head and Dead Rat Terror against Tempo's Newsroom'). https://www.tempo.co/politik/kronologi-detail-teror-kepala-babi-dan-bangkai-tikus-untuk-redaksi-tempo-1225227

Tempo, 2025, 8 August, 'BSSN Catat 3,64 Miliar Serangan Siber di Indonesia Setengah Tahun Ini' (*BSSN records 3.64 billion cyberattacks in Indonesia in the first half of the year*). https://www.tempo.co/digital/bssn-catat-3-64-miliar-serangan-siber-di-indonesia-setengah-tahun-ini-2056396

Tempo, 2026, 2 January, 'Pasal-pasal Kontroversial KUHP yang Berlaku Mulai Hari Ini' (Controversial articles of the Criminal Code effective as of today). https://www.tempo.co/hukum/pasal-pasal-kontroversial-kuhp-yang-berlaku-mulai-hari-ini-2103772

The Conversation, 2025, 18 June, 'Fadli Zon menyangkal pemerkosaan massal 1998: Revisi sejarah picu kemarahan publik' (*Fadli Zon denies the 1998 mass rapes: Historical revision sparks public anger*). https://theconversation.com/fadli-zon-menyangkal-pemerkosaan-massal-1998-revisi-sejarah-picu-kemarahan-publik-259082

Tirto, 2025, 29 August, 'Profil Affan Kurniawan & Kronologi Meninggal Dilindas Rantis' ('Profile of Affan Kurniawan and the Chronology of His Death after Being Run Over by an Armoured Vehicle'). Tirto: https://tirto.id/profil-affan-kurniawan-kronologi-tewas-dilindas-rantis-brimob-hgGY

Triantama, Febry, 2026, 8 January, 'Indonesia's critical minerals push is key to defence self-reliance'. *The Strategist* (ASPI). https://www.aspistrategist.org.au/indonesias-critical-minerals-push-is-key-to-defence-self-reliance/

Wahana Lingkungan Hidup Indonesia (WALHI). 2025a, 18 July, 'Penertiban Kawasan Hutan Legalisasi Kejahatan Negara' ('Forest Area Control as the Legalisation of State Crime'). Press release. https://www.walhi.or.id/penertiban-kawasan-hutan-legalisasi-kejahatan-negara-wahana-lingkungan-hidup-indonesia-walhi

Wahana Lingkungan Hidup Indonesia (WALHI). 2025b, 9 December, 'WALHI Desak Kementerian Kehutanan Tindak Aktivitas Ilegal dan Cabut Perizinan Berusaha' ('WALHI Urges the Ministry of Forestry to Act against Illegal Activities and Revoke Business Licences'). Press release. https://www.walhi.or.id/walhi-desak-kementerian-kehutanan-tindak-aktivitas-ilegal-dan-cabut-perizinan-berusaha-perusahaan-penyebab-banjir-sumatera

Warburton, Eve. 2023. *Resource Nationalism in Indonesia: Booms, Big Business, and the State*. Ithaca, NY: Cornell University Press.

What Is Up Indonesia (WIUI). n.d., 'What Is Up Indonesia'. (https://whatisupindonesia.com/about)

Wiguna, Bangkit Adhi, 2021, 22 July, 'Lemahnya Supremasi Sipil di Indonesia: Perihal Kesadaran dan Kesempatan Militer untuk Mengintervensi Urusan-Urusan Sipil' (Weak civilian supremacy in Indonesia: On the military's awareness and opportunity to intervene in civil affairs). *IndoProgress*. https://indoprogress.com/2021/07/lemahnya-supremasi-sipil-di-indonesia-perihal-kesadaran-dan-kesempatan-militer-untuk-mengintervensi-urusan-urusan-sipil/

Wijaya, Trissia, and Kanishka Jayasuriya. 2025. 'Contextualising the 2025 Indonesian Protests: Authoritarian Statism, Militarisation, and the Crisis of Social Reproduction.' *Journal of Contemporary Asia* 56, no. 1: 149-160. https://doi.org/10.1080/00472336.2025.2564143

Yanwardhana, Emir, 2025, 6 August, 'Prabowo: Geopolitik-Geoekonomi Rumit, Singgung Perang hingga Trump' (Prabowo: Geopolitics and geo-economics

are complicated, mentions war and Trump). *CNBC Indonesia*. https://www.cnbcindonesia.com/news/20250806142834-4-655597/prabowo-geopolitik-geoekonomi-rumit-singgung-perang-hingga-trump

Zahruddin, Achmad. 2021. 'Holdingisasi Badan Usaha Milik Negara' (The holdingisation of state-owned enterprises). *JPAP* 1, no. 2 (November). https://doi.org/10.37090/jpap.v1i2.517

Timor-Leste 2025: The 11th ASEAN member and new challenges*

Christine Cabasset

Associate and ex-deputy director of the French Research Institute on Contemporary Southeast Asia (IRASEC, Bangkok)
christine.cabasset@gmail.com

Diplomatic activity and the associated calendar of commemorations were exceptionally dense in 2025, particularly regarding the preparations for and subsequent official accession of the country to the Association of Southeast Asian Nations (ASEAN) on 26 October. The ceremony served as a masterful and poignant victory for East Timorese political figures, most notably the Prime Minister and former resistance leader Xanana Gusmão, and the President and former resistance representative in exile, José Ramos-Horta. Today, there is a profound hope that this regional integration will stimulate economic diversification and bolster both national and local economies through an anticipated increase in foreign direct investment. Concurrently, Timor-Leste has undeniably strengthened its ties with other ASEAN nations since the end of 2022 – as evidenced by its relations with Singapore and Malaysia.
In this trend, Indonesia is playing a special role, considering the common past and the progress made in reconciliation, even though negotiations are ongoing concerning maritime boundaries. The year 2025 was also significant due to the sheer volume of commemorations organized in Dili and throughout the municipalities to mark the 50th anniversary of the «first» unilateral declaration of independence, which took place on 28 November 1975, a mere ten days before the Indonesian invasion. On the front of economic development, within a context where the «blue economy» has become a prominent policy objective, maritime activities are either currently operational or in the development pipeline. Meanwhile, the joint exploitation with Australia of the Greater Sunrise gas field – which remains untapped – is progressing slowly. Finally, 2025 may be remembered as the year when Timor-Leste was identified as a new target for transnational organized crime which has spread at an increasing speed in Southeast Asia. Nevertheless, the country has continued to demonstrate robust indicators in the fields of human rights and democracy, maintaining a standard it has upheld since achieving independence.

Keywords – Timor-Leste; Indonesia; ASEAN; Australia; blue economy; youth.

* The July-August 2025 research field of the author was made possible in collaboration with the National University of Timor-Leste (UNTL) and partly funded by the research institute Centre Asie du Sud-Est (CASE UMR 8170, Paris) and the French cooperation office in Dili (Timor-Leste). The article is based on Cabasset [2026]

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

1. *Introduction*

The image of Prime Minister Xanana Gusmão wiping away tears during the official ceremony marking East Timor's accession to ASEAN at the 47th summit in Kuala Lumpur (26-28 October) will remain etched in people's memories [*DRM News* 2025, 26 October]. The 2025 event resonates as a masterful victory for the former leader of the East Timorese resistance, as well as for President José Ramos-Horta (in office since 2022), who has continuously championed this project. Although the country had been a candidate since 2011, the dream of membership dated back to 2002, and even earlier, to the 1970s.

At the same time, commemorations of the 50th anniversary of the unilateral declaration of independence, held not only in Dili but also in all municipalities, were highlighted in a special light. Far from being merely festive, these celebrations were also moments of reflection and remembrance regarding the invasion of the territory less than 10 days after independence. In the economic sphere, a number of major government projects are underway, such as those associated with Tasi Mane, a petrochemical hub on the south coast. Major foreign direct investment (FDI) is also expected in the maritime sector, which represents one of the possible avenues for the country's necessary economic diversification and increased employment opportunities. Nevertheless, public servants must remain vigilant: on the one hand, to avoid indulging in financial and material advantages that fuel the mistrust of the population – particularly young people – towards the authorities; and on the other hand, because of the increased influx of dubious FDI, some of which originates directly from Asian criminal organizations involved in online gambling and scams.

2. *The ASEAN's 11th member*

On 26 October, Timor-Leste officially became the eleventh member of ASEAN. Although the event was sometimes overshadowed in certain Western media by Donald Trump's presence at the ASEAN Summit and the related diplomatic and trade issues, Timor-Leste's entry into the organization received extensive coverage in the regional media. It has to be remembered as a general analysis background that the membership to the regional grouping is anchored in a strong and long-term political will of the East-Timorese leaders, and that the diplomatic relation with ASEAN member states since the independence and moreover since 2022 showed how transformative has been the experience, not only for Timor-Leste but more generally for all the ASEAN countries.

Indeed, the country's membership is the fruit of a long quest for ASEAN, which can be tracked back to 1974-1975, when the country was mov-

ing towards independence in the aftermath of the Carnation Revolution in Portugal, which brought an end to the dictatorship and the Portuguese colonial system, and even more for the 2002 independence, on the grounds that under Indonesian occupation, the territory was considered a part of ASEAN. Reflecting this dream, as early as 2000, then under the United Nations Transitional Administration in East Timor (UNTAET, 1999-2002), the Ministry of Foreign Affairs and Cooperation (MoFAC) established a position for ASEAN affairs. Before having a state secretary for ASEAN in 2012, in line with Timor-Leste's official application submitted to ASEAN in 2011, who was elevated to vice-ministership in 2023. From 2013 onward, MoFAC had organized regular official visits to ASEAN member states, as well as national informative and consultation tours, both in the perspective of its desired membership.

Looking back, the process began to accelerate in November 2022 with the acceptance in principle of East Timor's membership at the 40th and 41st summits, and even more so since June 2023, when the ASEAN Secretariat sent Dili a roadmap listing a significant number of requirements with which Timor-Leste had to comply. These included: the ASEAN Charter; all ASEAN treaties, conventions, and agreements; and trade regulations. In addition, the country needed the preparation of a sufficient number of English-speaking and security personnel, as well as the construction of physical infrastructure, namely hotels, conference centres, airports, and health facilities. While several years of preparation could reasonably have been expected, the announcement in May by Anwar Ibrahim – the Prime Minister of Malaysia, who chaired ASEAN in 2025 – came as a surprise, given the speed of integration into a regional organization that is more often criticized for its slow decision-making.

Precisely because the length of the process, with an in-principle acceptance given 11 years after Timor-Leste's application (2011) and a membership itself 14 years after it, many observers wondered if the membership would one day become reality. The lengthy timeline has prompted numerous academic and press articles, most of which question ASEAN's alleged resistance to Timor-Leste joining the regional bloc. Quite a number of press articles were released on this topic especially in 2019, 20 years after the self-determination popular consultation (often wrongly called a referendum). For some, the lengthy process reflected the ASEAN general reluctancy to integrate a «poor country» [Ortuoste 2019, 28 September], while for others, the problem was the country's good democratic performance [Chongkittavorn 2019, 21 May] or the increasing presence of China [Tobin 2019, 3 August]. The observed acceleration in 2022 was supposedly due to the normal process of ASEAN scrutiny of Timor-Leste membership, but possibly shaken by Ramos-Horta's viral declaration «It's easier to reach heaven than the gate of ASEAN» [Observer ID 2022, 22 July], triggering a

new salve of press articles. We need to keep in mind that at all times, the economy (from the poverty rate to the GDP per capita and to the absence in Dili of large-scale shopping malls, hotels and convention centres of comparable size to those existing in other Southeast Asian capital cities) was seen as one of the main, if not the main, factor playing negatively in Timor-Leste membership.

As most articles pointed out also in 2025, the issues surrounding accession to ASEAN remain economic in nature. Because of the uncertainty in state revenues brought by Australia's hesitation to develop the yet untapped gas field of Greater Sunrise (see below) and knowing the intra-ASEAN economic dynamics and GDP's growth rate, the country hopes to benefit from the opening up of new markets and the attraction of foreign direct investment from other member states, which are very limited today. The aim also concerns developing partnerships with the region in various sectors and strengthening trade. Trade with ASEAN member states has long been the main source of imports. However, this is also on economic grounds that are based today critical opinions regarding ASEAN membership among East Timorese observers [Cruz Cardoso 2025, 14 October]. These opinions highlight the country's particularities, such as the fact that 70% of the population still lives in rural areas, and the fear of an influx of goods produced at lower cost in other ASEAN countries – which is already occurring – and even of labour. Without denying these potential negative effects, many comments seek to essentialize the country as fundamentally «unready» and «distinct from others».

However, although the economy is a leading factor in the understanding of Timor-Leste's accession to ASEAN, the political, geopolitical, and security issues should not be underestimated, as all these areas are of direct concern to Timor-Leste, as the author of this article has long pointed out. In particular, time was needed, since the topic of Timor-Leste remained sensitive for some years, for Indonesia, but also for the other ASEAN countries [Cabasset 2020]. While the latter had sided with Suharto's orientation during the 24 years of conflict, the current situation represents a major reversal, particularly with a strong and visible strengthening of Timor-Leste's ties with other ASEAN countries since independence and, even more, since the end of 2022; this is evident in the cases of Singapore and Malaysia. In this respect, accession is a significant victory for the country, as membership of the regional organization and its dynamics will bring it greater security and credibility.

Singapore, which for a long time embodied ASEAN's real or supposed reluctance to integrate Timor-Leste into the economic sphere, has become one of its main supporters, particularly in the field of training East Timorese diplomats and civil servants. From 2022 to July 2025, more than 1,100 people benefited from the «STARS» programme (Singapore-Timor-Leste ASEAN Readiness Support programme), which provides assis-

tance with economic agreements, leadership, and university scholarships [Baharudin 2025, 14 July]. Cooperation has since intensified with the renamed «eSTARS» programme, which is set to run until December 2028. According to Singapore, these good relations are rooted in «small country diplomacy», with all the appeal of Singapore's success acting as an economic model for Timor-Leste [Cabasset 2026]. Another special relationship has developed with Malaysia and its Prime Minister, Anwar Ibrahim, who paid an official visit to Dili on 23-24 September. Ibrahim was awarded the Grand Collar of the Order of Timor-Leste, the highest East Timorese distinction, for «Malaysia's support, from the peacekeeping mission (1999-2002) to Timor-Leste's accession to ASEAN». Alongside Thai soldiers, who were the most numerous within Southeast Asian troops, but also Filipino and Singaporean soldiers, Malaysia had indeed deployed soldiers in the country. The high-level meetings also resulted in the reaffirmation and signing of a defence cooperation agreement, ratified in early November, concerning the strengthening of defence relations, dialogue, information and experience sharing, technical and military training, joint exercises, and cooperation in the fields of defence-related industry, technology, and science [Fonseca 2025, 4 November]. At the 19th ASEAN Defence Ministers' Meeting (ADMM) at the end of October, Timor-Leste's Minister of Defence, Donaciano Gomes, emphasized his country's interest in joining the regional bloc's security network, particularly with regard to maritime security. Other areas of cooperation are being explored with a view to boosting trade and investment. In November, a delegation of 19 Malaysian companies visited Timor-Leste.

It should also be noted that one of Timor-Leste's objectives is to strengthen connectivity with countries in the region. Thanks to a new route (three flights per week) between Kuala Lumpur and Dili, operated by the Malaysian airline Batik Air since June 2025, Dili is now connected to the ASEAN region by direct flights to Indonesia, Malaysia, and Singapore. This is in addition to daily flights to Australia since independence and, a new development for 2025, to Xiamen in China.

3. *Bilateral peace with Indonesia, Timor-Leste's special partner*

Of course, ASEAN membership resonates with the special relationship between Timor-Leste and Indonesia. Dili submitted its application in March 2011 while Indonesia held the ASEAN chairmanship, and during the following chairmanship in 2023, Indonesian President Joko Widodo regularly called for accession to take place that year. Since then, in addition to the numerous cooperation initiatives that have developed between the two countries since independence, Indonesia has been one of the member states that has most significantly helped East Timorese officials prepare for ASEAN

accession in various sectors: foreign affairs, trade, industry, customs, and excise tax.

Since independence, even though some issues inevitably will take time to resolve, the two countries have adopted a cooperative tone and normalized their relation quite quickly in order to feed a «reconciliation» process. This continued even while Prabowo Subianto, a general whose 20-year career is inextricably linked to the Indonesian occupation of Timor-Leste, acceded to Indonesia's presidency, an event that has often been met with a high dose of pragmatism in both countries [Cabasset 2025]. Today, around 50 Indonesian companies are established in Timor-Leste, including the national oil company Pertamina, the banks BRI and Mandiri, and the telecommunications company Telkomsel. In addition, many bonds – family, friendship, professional, and economic – contribute also to the bilateral peace, such as the presence of thousands of East-Timorese students enrolled every year in Indonesian universities, as well as the presence of thousands of Indonesian citizens living and working in Timor-Leste, some of whom are hired by Ministries or government agencies [Cabasset 2026].

At the same time, however, the two countries have yet to define their borders. With no maritime boundaries yet drawn, the two countries began negotiations in August and December. Regarding the land border, two segments, both located in Oecusse, have yet to be definitively fixed since independence. The Bidjael-Sunan-Obe segment near Passabe was reportedly settled in 2025 [Soares 2025, 1 December], although the author of this article has been unable to confirm this information. Resolving these issues is important not only because they are a source of dispute, but also because the Noel-Besi Citrana segment – concerning the Naktuka region – is coastal and therefore essential for defining maritime boundaries. As demonstrated by the long-running border dispute between Timor-Leste (70,000 km² for Timor-Leste's maritime area) and Australia (approximately 10 million km²), the latter of which was resolved in 2018, and because also in this case the significant disparity between the respective maritime areas (approximately 6 million km² for Indonesia), a compromise will not necessarily be reached quickly. One of the factors complicating the settlement of the dispute is the need for Indonesia to amend several of the legal instruments it adopted between the late 1990s and 2002, which directly affect the maritime boundaries between the two countries on the northern coast of Timor-Leste [Cabasset 2025, 9 December].

The organization of two international conferences in Dili in May, dedicated to the resolution of disputes including those related to maritime boundaries, brought together high-level experts on these issues and demonstrated Dili's considerable experience in this area. The first, on 14 May [Government of Timor-Leste 2025, 14 May], was devoted to the Permanent Court of Arbitration (PCA, The Hague), to which Timor-Leste became the 124th contracting party in September 2024 by acceding to the 1907

Convention for the Pacific Settlement of International Disputes. It is worth noting that the PCA is a well-known organization in Timor-Leste, which in 2016 initiated conciliation with Australia under its auspices to define maritime boundaries. The other conference, on 15 and 16 May [Government of Timor-Leste 2025, 15 May], was the second of its kind on the law of the sea and the resolution of maritime disputes, following a first edition more than ten years earlier, in 2014. Although the government had already made border demarcation a priority since 2015 under the leadership of Xanana Gusmão, this was reiterated in the programme of the current government in place since 2023. The motivations are linked to national sovereignty, but also to the access and exploitation of resources, such as fisheries and oil.

Apart from that, and for reasons of timing, issues of memory were especially salient in 2025. The ceremony in 2024 marking the 49th anniversary of the first declaration of independence was memorable for bringing together two high-ranking figures emblematic of the New Order and the occupation of East Timor, Generals Wiranto and Kiki Syahnakri, as representatives of the Indonesian Presidency. However, it was also controversial in the country. The commemoration of the 50th anniversary on 28 November returned to more consensual forms of remembrance: speeches, masses, and exhibitions, including those on the resistance. This did not prevent the event from being both solemn and forward-looking [Ramos-Horta 2025, 28 November].

While the «reconciliation» with Indonesia as a state policy promoted by East Timorese leaders is sometimes criticized locally for being detrimental to justice, the long-standing approach taken by the two countries seems exemplary, despite the undeniably different triggers on either side of the border [Cabasset 2026]. In contrast to the personal and collective amnesia that dominated Indonesia for decades after the «coup» and the events of 1965-1966, in Timor-Leste, the policy of reconciliation has never implied the need for forgetting: every year, the deadly events are commemorated locally or nationally, such as the «Santa Cruz Cemetery massacre in Dili» on 12 November 1991, in which at least 250 young people were killed. As 2025 marks the 50th anniversary of Timor-Leste's first independence – and its subsequent invasion – several events have been commemorated, such as the creation of the Timor-Leste National Liberation Armed Forces (Forças Armadas da Libertação Nacional de Timor-Leste – Falintil), which at the time of the 2002 independence provided the basis for the establishment of a professional national army called F-FDTL (Falintil-Defence Forces of Timor-Leste). Furthermore, the «Balibo 5» were commemorated in Balibo, a small border town in the north-west. On 16 October 1975, as the Indonesian army began its invasion of Portuguese Timor from the western towns (Operasi Flamboyan), it killed five young journalists from Australia, Britain, and New Zealand who had come to cover the events for Australian television. Representing the Prime Minister at the commemoration ceremony,

the Minister of the Presidency of the Council of Ministers, Agio Pereira, gave a detailed account of the events [Government of Timor-Leste 2025, 16 October]. The feature film *Balibo* by Australian director Robert Connelly, released in 2009, is based on the memory of these events.

4. *A blue and oil economy*

In the last few years, the «blue economy» became the new government mantra, especially promoted by Xanana Gusmão. This is a highly relevant area for Timor-Leste and for the region as a whole, which has a recognized high level of marine biodiversity, and it provides ways for cooperation with neighbouring countries since the release in 2023 of the first ASEAN Blue Economy Framework. In Timor-Leste, this vast sector is being invested as a way for needed economic diversification in a context where revenues are still dominated by hydrocarbon exploitation and where the country is in the expectation of the development of the large Greater Sunrise gas field. Linked to that, a number of maritime-related projects have been emerging in Dili.

4.1. *Budgets, large-scale projects and banking initiatives*

Following approval by the National Parliament, President Ramos-Horta promulgated the General State Budget for 2026 at the end of November 2025, entitled *Investing in National Transformation, Regional Integration and Inclusive Development*. Out of the total consolidated budget of US$ 2.445 billion, US$ 2.215 billion will be allocated to the central administration, US$ 170.4 million to social security, and US$ 60 million to the Oecusse Ambeno Special Administrative Region (Região Administrativa Especial de Oecusse Ambeno-RAEOA). In total, social transfers for veterans' support and social security amount to US$ 354.6 million. While the government is prioritizing infrastructure, more than US$ 400 million is allocated to roads and bridges, the energy sector (including renewable energy), water and sanitation, and air connections.

After the economic recession of 2017 and 2018, followed by the negative socio-economic effects of the COVID-19 pandemic, the figures are on the rise again. The Asian Development Bank forecasts that the country will maintain its economic stability and growth (4.1% in 2024, 3.8% in 2025, and 3.4% in 2026), supported by domestic demand and low inflation [Asian Development Bank 2025, 30 September]. In addition, in October, the petroleum fund (created in 2005) reached nearly US$ 19 billion.

A new development in the economic landscape is the arrival of two new East Timorese private banks, alongside the existing Central Bank of Timor-Leste, the National Bank of Commerce of Timor-Leste, and a few

foreign commercial banks – ANZ (Australia), BNU Timor (Portugal), BRI and Mandiri (Indonesia) – with the aim of improving access to credit for East Timorese citizens and businesses. In doing so, they hope to boost the private sector. The decree-law establishing the National Development Bank of Timor-Leste SA (BNDTL) was approved by the Council of Ministers at the end of July 2025 [Government of Timor-Leste 2025, 1 August; Vieira 2025, 4 August]. Created with the support of the Asian Development Bank, the new bank (with a capitalization of US$ 55 million) aims to stimulate productive investment by offering, for example, subsidized loans and credit guarantees to small and medium-sized enterprises, start-ups, young people, and women in rural areas, for projects involving business development or acquisition, or skills enhancement. The project could benefit from technical assistance from Brazil, based on the Brazilian experience of the National Bank for Economic and Social Development (BNDES). As for the Bank of Our Future (*Banco do Nosso Futuro*, or BNF in Portuguese), founded and owned by the Council of National Liberation's Veterans, it was inaugurated in Dili on 4 September. A private bank with East Timorese capital, it reflects the desire of veterans of the struggle for independence to «take an active role in national economic development», although the bank is open to all [Government of Timor-Leste 2025, 5 September].

Alongside ongoing maritime activities (see below), major infrastructure projects that had been in the pipeline for several years were launched, such as the expansion of Dili International Airport. On 20 May 2025, Xanana Gusmão, holding a pickaxe – as he often does for construction projects, whether large or small – launched the project, which is scheduled for completion in 2028 [Tatoli 2025, 20 May]. The project consists of a general expansion of the infrastructure to increase its capacity to one million passengers per year, in particular by extending the runways from the current 1,800 metres to a total of 3,000 metres in three successive phases of extension. The project also includes the construction of a new passenger terminal, which will be designed and built by a Japanese business consortium, with the structural work for the entire project to be carried out by the Indonesian company Waskita Karya.

Another major project is the construction of the country's first solar power plant, with a capacity of 72 megawatts and a 36-MW energy storage system, by the Japanese company Itochu Corporation and the French company Electricité de France (EDF) [Varadhan and Tang 2025, 17 October]. Work is scheduled to begin in 2026 and, under a 25-year agreement, the project is expected to supply the state-owned company Eletricidade de Timor-Leste (EDTL). While Timor-Leste has been in a state of electricity overproduction since 2012 with the Hera power plant and associated plants, the aim is to reduce the costs associated with diesel imports, lower the tax burden and, supposedly, kick-start the energy transition. It should be noted that in 2012, Timor-Leste succeeded in electrifying more than 90% of the

country's households thanks to this power plant. Since then, it has been attempting to complete coverage of isolated areas using solar power.

4.2. *Blue economy and ongoing maritime activities*

In 2025, the Timor-Leste government has refined its strategy in the form of an action programme, *Blue Economy: Policy and Action Plan for the Promotion of a Resilient and Sustainable Economy of the Sea in Timor-Leste 2025-2035*. In September, the 300-page document was made available online for public consultation before being presented to municipal authorities, community leaders, and other key partners. While this may come as a surprise, it is no coincidence that it is the Land and Maritime Boundary Office, and its central figure, Xanana Gusmão, that has taken ownership of the maritime economy theme, as well as the design and promotion of the associated action plan. Prime Minister from 2007 to 2015, before resigning and becoming Minister of Planning and Strategic Investments (2015), Gusmão was already the chief architect of Timor-Leste's *Strategic Development Plan 2011-2030*. With the sea and its resources now at the heart of current geopolitical issues, if not a new battlefield, it is being claimed, here as elsewhere, as a national issue. As a sign of the increased interest in this area, in November, the American private research vessel *OceanXplorer* conducted a 14-day scientific mission aimed, among others, at identifying species and mapping the seabed off the north coast of Timor-Leste and around the island of Atauro [Government of Timor-Leste 2025, 10 November].

Japan, one of Timor-Leste's major development partners, whose companies are involved in oil and gas consortia exploiting the Bayu-Undan and Greater Sunrise fields alongside Australian and East Timorese oil companies, has long shown an interest in the maritime sector. The Japan International Cooperation Agency (JICA), which is very active in this field, for example, drew up and published a master plan for port development in Timor-Leste in 2024. Within this framework and thanks to a financial grant, the small port of Carabela near the country's second city, Baucau, is undergoing rehabilitation. Others are expected to follow, in order to facilitate the transport of goods and people, even during the rainy season, which regularly damages the road network. The Tsuneishi Group, established in Dili since 2023, is continuing with its project to set up a shipyard on the north coast of the country, near Manatuto. Pending the actual construction, the company has already organized two training sessions for East Timorese trainees in Japan in 2025.

While China apparently remains relatively uninvolved in the maritime sector, despite having shown interest in it for a long time, the Chinese company South Timor Fisheries Development Lda. states that it wants to invest in a major aquaculture project worth more than US$ 600 million in Laleia on the north coast [Tatoli 2025, 28 April].

4.3. *Still under negotiation: joint exploitation with Australia of the Greater Sunrise gas field*

The exploitation of Greater Sunrise, a large gas field discovered in 1974, remains under negotiation between the various stakeholders in Timor-Leste and Australia. While the end of 2024 had seen promising progress in favour of the Timor-Leste option – namely, with facilities built and the pipeline landing on the southern coast, as opposed to the Darwin option long preferred by Australia – little progress has been made since then [Government of Timor-Leste 2024, 23 December; Yihe 2025, 27 May]. Observers met by the author in the field pointed out that an intergovernmental agreement was one thing, but an agreement between private companies was another, referring to Woodside Energy Ltd, Australia's largest oil and gas company and the main operator in the exploitation consortium. However, a statement issued by the East Timorese government at the end of November indicated that a cooperation agreement had been signed between the East Timorese Ministry of Petroleum and Mineral Resources and Woodside [Government of Timor-Leste 2025, 25 November].

Under this agreement, studies as well as technical and commercial activities would be carried out to develop the option of building a liquefied natural gas plant that would produce around 5 million tonnes per year, as well as a helium extraction plant. These activities would be pursued in parallel with ongoing negotiations on the legal, regulatory, and fiscal framework to support the upstream development of Greater Sunrise between the Sunrise Joint Venture consortium and the governments of Timor-Leste and Australia. Earlier this year, in May, the government resumed public information sessions with communities affected by the Tasi Mane project, a major petrochemical development project on the south coast. But while the supply base for the Greater Sunrise gas pipeline is still planned in Suai, the liquefaction plant is now planned to be located in Natarbora, along with other potential petrochemical projects, rather than in Betano and Beaçu.

5. *Youth take to the streets to protest against inequality*

While demonstrations remain relatively uncommon in the country, on 15 and 16 September, Dili was marked by protests by young people, particularly students, against the planned purchase of 65 SUVs for all members of the National Parliament, at a total cost of US$ 4 million [Le Monde 2025, 16 September]. Although the government cancelled the controversial purchase the day after the demonstration, the protesters continued their campaign to denounce the lifetime pension system (*pensão vitalícia*) introduced in 2007 and to demand its abolition. This law grants presidents, ministers, and parliamentarians who have served for at least 42 months and find themselves

unemployed the right to receive 100% of their salary for life, as well as various benefits for themselves and their families paid for by the state – for example, medical treatment at home or abroad, the provision of an office, employees, a car, and security. This is not the first time that protests have targeted these benefits; similar demonstrations took place in 2015 [Timor Post 2015, 30 September] and 2017, for instance. On those occasions, too, the government backtracked on the issue. In 2025, MPs quickly decided – on 25 September – to abolish the lifetime pension.

Several factors led to the street protests. Like the Gen Z movements organized in Indonesia, Sri Lanka, and Nepal during the same period, the two measures targeted by the protests are considered to be out of touch, unfair, and drivers of increasing inequality, in a situation where the majority of East Timorese face great difficulties in meeting their daily needs and where public services remain of poor quality, especially for those without networks or good incomes. As Cezario Cesar, one of the protest organizers, put it: «People don't have access to quality education, water and sanitation ... many services are still lacking, but they continue to create laws that directly benefit them.» [Ewe and Ng 2025, 17 September]. The reference was to the basic annual salary of East Timorese MPs, which was US$ 36,000 in 2023 – about ten times the average income in the country. At the same time, the presence of a large youth population in the country is an important factor, with those aged under 30 representing more than 60% of the total population, as is the fragility of the economic fabric, with approximately 77% of the population deriving their income from the informal economy, according to the International Labour Organization.

However, given the limited opportunities to find well-paid jobs in Timor-Leste, emigration has increased and remittances to the country have become a significant source of income for both households and the national economy. The effects are all the more beneficial as these transfers potentially boost domestic consumption. On a less positive note, while there have been no bookshops in Dili since the COVID-19 pandemic, a significant number of money transfer shops, such as MoneyGram and Western Union, have sprung up. In this context, organized labour mobility schemes with some countries for seasonal or longer term jobs are among the most popular projects. Every year but increasingly, thousands of East-Timorese benefit the mobility schemes, especially the already well established one with Australia (over 5,000 workers), but also with New-Zealand, South Korea, and more recently Japan, generating millions in money transfers to Dili. This does not include the thousands of young people who left spontaneously for Portugal and the United Kingdom, for example. According to the United Nations in Timor-Leste [2022], 'from 2015 to 2021, the level of total remittances inflow to Timor-Leste has more than doubled from 62 million US$ to an estimated 171 million US$ in 2021', making it the largest source of non-oil income for Timor-Leste. While the lack of jobs and its consequence in terms of

emigration are regular targets of criticism, it has to be said that emigration provides not only valuable income to the East-Timorese, but also to youth who emigrate, offering the means of emancipation from strict family and social structures and ways for new knowledge and experience acquisition.

6. *Timor-Leste: a new target for infiltration by transnational organized crime*

Breaking with the isolation it experienced during the Indonesian occupation, the country has, since independence, sought to attract domestic and foreign investment in order to diversify its economy and boost its still embryonic non-oil sector. In doing so, it has attracted not only different companies, but also gangsters of all kinds whose activities could, if left unchecked, severely affect the country. Agio Pereira, a senior East Timorese politician, sounded the alarm in September about the risks posed to the country by organized crime. As Minister of the Presidency of the Council of Ministers – a position he knows well, having held it for approximately 15 years in total since 2007 – and overseer of the National Intelligence Service, Pereira is known for his commitment and integrity. In a *Manifesto for the Defence of Timor-Leste* posted in Portuguese and Tetum on Facebook, he stated he had «irrefutable and overwhelming evidence» that US$45 million had been brought into the country by crime syndicates from Cambodia, Malaysia, Macau, Hong Kong, and «triads» [UNODC 2025, 11 September; Rose 2025, 8 October].

The money was intended to buy local complicity to enable the issuance of fraudulent licences and the construction of protected enclaves where illegal gambling, cyber fraud centres, and human trafficking could operate under the guise of legality. Among the many casinos that have sprung up in Dili and the online gambling industry that has grown just as significantly, one project in particular has come under scrutiny in the town of Pante Macassar, in the East Timorese enclave of Oecusse. Based on the renovation and expansion of a five-star hotel built in 2017-2018 and never completed, new casino and online scam activities had already established themselves. According to observations made by the author in the field, the region – which is very rural – was now being promoted as a «digital hub», «at the cutting edge of modernity», and set to become a «source of significant revenue» thanks to a «very quiet clientele coming only for gambling».

As regularly pointed out by various observers and the United Nations Office on Drugs and Crime (UNODC), these peripheral locations, beyond the reach of scrutiny, control, and the law, are multiplying in special economic zones, especially on borders, as illustrated by the border areas of Cambodia and Myanmar [UNODC 2024, January; Bonnet, Miko and Siegel 2024]. Timor-Leste has been increasingly targeted since online casinos hosting illegal activities were banned in the Philippines in July 2024. As a result,

Timor-Leste is about to join the very open club of Southeast Asian countries affected by organized crime, particularly cyber-crime. Nevertheless, on 1 October, the draft resolution presented by Agio Pereira – concerning the cancellation of all licences already granted to online gaming and betting operators, as well as all ongoing procedures for the granting of new licences – was approved [The Macau News 2025, 3 October]. Like in other countries in the region, Timor-Leste is vulnerable to organized crime because of a combination of reasons, such as: the attraction of the «easy money», the credulity of the victims, but also of the low-profile perpetrators, and the lack of governance especially when applied to high level business and businessmen. In the country, the vulnerability is even reinforced by young institutions, the cash-based economy (using the US dollar), porous borders, and the absolute need for foreign investment.

7. *Conclusion*

Diplomatic activity was eventful in 2025, particularly with the preparation for and subsequent official accession to ASEAN, upon which East Timorese leaders are counting to stimulate economic diversification and the national and local economies. The calendar of commemorations was also particularly full this year. Their growing importance – particularly through extensive communication regarding the unilateral declaration of independence, which had remained discreet and localized until then – illustrates the increased politicization of the «duty to remember». The fact remains that the «50th anniversary» provides an opportunity to remind everyone, both East Timorese and foreigners, of the time, ambitions, and lives lost, and how much these losses, alongside the necessary reconstruction efforts, have hampered the country's human and economic development.

Nevertheless, opening up to ASEAN and, more broadly, to globalization comes at a price. Alongside the increased and rapid arrival in previous years of environmentally undemanding hotel and real estate projects, 2025 marks the arrival of organized crime in the form of illegal online activities and cyber scams. While the news itself is not new, the documented evidence is. We can only hope that the warning issued by the Minister of the Presidency of the Council of Ministers, Agio Pereira, and the bilateral and multilateral cooperation established in this area since then, will prove beneficial. Indeed, in December, the Minister of Foreign Affairs and Cooperation, Bendito dos Santos Freitas, participated in the 11th session of the Conference of the States Parties to the United Nations Convention against Corruption in Doha (Qatar). On the sidelines of the event, and with a view to establishing cooperation on the fight against corruption and transnational crime, meetings were held with partners such as Interpol, the Australian delegation [Gama 2025, 10 December], and the United Nations Office on Drugs and Crime (UNODC).

However, the country cannot be summed up by this alone; progress has been made. For example, Timor-Leste emerged as one of the vice-presidents of the 80th Session of the United Nations for the period from 9 September 2025 to 8 September 2026, it holds the presidency of the Least Developed Countries Group from 2026 to 2028, and it has been appointed interim president of the Community of Portuguese Language Countries (CPLP) in response to the political crisis in Guinea-Bissau. In the field of the blue economy, projects related to the maritime sector and marine biodiversity are continuing, moving towards economic diversification. Similarly, in the field of «democracy», the country continues to enjoy good indicators – indeed, the best in the region – for 2025, as reported by *The Economist*, Freedom House, Reporters Without Borders, and the Global Peace Index.

Bibliography

Asian Development Bank, 2025, 30 September, *Asian Development Outlook (ADO)*.

Baharudin, Hariz, 2025, 14 July, 'Singapore boosts support for Timor-Leste as it prepares to join Asean', *The Straits Times*.

Bonnet, François-Xavier, Miko, and Laure Siegel, 2024, 'Scamming: casinos and online scams. From Filipino POGOs to Burmese compounds', *in* Facal Gabriel & Samuel Jérôme (eds.), *L'Asie du Sud-Est 2024. Bilan, enjeux et perspectives*, Bangkok: IRASEC, pp, 93-110.

Cabasset, Christine, 2020, 'Timor-Leste. Petit, lointain… et au cœur de préoccupations stratégiques', *in* Christine Cabasset and Claire Tran (eds.), *L'Asie du Sud-Est 2020. Bilan, enjeux et perspectives*, Bangkok/Paris: IRASEC/Les Indes savantes, pp. 375-399.

Cabasset, Christine, 2025, 'Timor-Leste 2024. In a changing neighbourhood geopolitics, reconciliation as a central pillar', in *Asia Maior* Vol. XXXV/2024, pp. 191-206 https://www.asiamaior.org/files/08-AM2024-Timor-Leste.pdf

Cabasset, Christine, 2025, 9 December, 'Quelles gouvernance et sécurisation des détroits d'Ombai et de Wetar ?', DéCoDé conference 'Au cœur des détroits. L'évolution des infrastructures et leurs rôles dans les réseaux globaux : ponts, tunnels, câbles et ports', Dunkerque.

Cabasset, Christine, 2026a, 'Timor-Leste. «50 ans» et 11e membre de l'ASEAN, de nombreuses commémorations et de nouveaux défis », in Facal Gabriel & Samuel Jérôme (eds.), *L'Asie du Sud-Est 2026. Bilan, enjeux et perspectives*, Bangkok: Institut de recherche sur l'Asie du Sud-Est contemporaine-IRASEC, pp. 402-430.

Cabasset, Christine, 2026b, 'La paix bilatérale Timor-Leste – Indonésie, un modèle de normalisation rapide des relations post-conflits', *Le Rubicon* (forthcoming).

Chongkittavorn, Kavi, 2019, 21 May, 'Admit Timor-Leste to bloc now or never', *The Bangkok Post*.

Cruz Cardoso da, João, 2025, 14 October, 'What Does an ASEAN Membership Mean for Timor-Leste?', *Stratsea*.

DRM News, 2025, 26 October, 'ASEAN Summit 2025 Opening Ceremony: World Leaders Gather in Kuala Lumpur for Historic Summit | AQ1G' (https://www.youtube.com/watch?v=XZL44WPRbmQ).
Ewe, Koh, and Kelly Ng, 2025, 17 September, 'Timor-Leste scraps plan to buy MPs free cars after protests', *BBC*.
Fonseca, Arminda, 2025, 4 November, 'Timor-Leste ratifies defense cooperation agreement with Malaysia', *Tatoli*.
Gama, Agustino, 2025, 10 December, 'MI ho Australia diskute asuntu reforsa PNTL kombate krime organizadu no jogu online iha TL', *Independente*.
Government of Timor-Leste, 2024, 23 December, 'Study Confirms Viability of Greater Sunrise Development in Timor-Leste'.
Government of Timor-Leste, 2025, 14 May, *Workshop 'The Permanent Court of Arbitration and Timor-Leste: Navigating International Commercial and Investment Disputes'*
Government of Timor-Leste, 2025, 15 May, 'Second Dili International Conference on the Law of the Sea – 'Navigating Challenges: Law of the Sea and Maritime Dispute Settlement'.
Government of Timor-Leste, 2025, 16 October, 'Speech by the Minister of the Presidency of the Council of Ministers, Agio Pereira. On the occasion of the commemorative ceremony marking the 50th anniversary of the deaths of the Balibó Five'.
Government of Timor-Leste, 2025, 1 August, 'Government and ADB hold seminar on the concept of the National Development Bank of Timor-Leste'.
Government of Timor-Leste, 2025, 5 September, 'Veterans of National Liberation Launch First Private Bank with Exclusively Timorese Capital'.
Government of Timor-Leste, 2025, 10 November, 'OceanX Scientific Mission Explores Timor-Leste's Marine Ecosystem'.
Government of Timor-Leste, 2025, 25 November, 'New Era of Cooperation Dawns for Greater Sunrise'.
Le Monde, 2025 [and AFP], 16 September, 'Au Timor oriental, deuxième journée de manifestations contre l'achat controversé de voitures pour les députés'.
Observer ID 2022, 22 July, 'Ramos Horta: Easier to enter heaven than to join ASEAN'.
Ortuoste, Maria, 2019, 28 September, 'Timor-Leste's ASEAN membership limbo', *East Asia Forum*.
Ramos-Horta, (Presidencia da República de Timor-Leste), 2025, 28 November, 'Speech of president of the republic J. Ramos-Horta on the occasion of the 50th Anniversary of the unilateral proclamation of Independence of the democratic republic of Timor-Leste'.
Rose, Michael, 2025, 8 October, 'Organised crime may be infiltrating Timor-Leste's government. One minister is sounding the alarm', *The Conversation*.
Soares, Roberto, 2025, 1 December, 'Land Border with Indonesia Nearly Settled, One Segment Left', *Tatoli*.
Tatoli 2025, 20 May, 'Groundbreaking ceremony for the development and expansion of President Nicolau Lobato International Airport'.
Tatoli 2025, 28 April, 'TradeInvest and Timor South Sea Fisheries development discuss special investment agreement'.
Timor Post 2015, 30 September, 'Abaixo a Pensão Vitalícia'.
The Macau News 2025, 3 October, 'Timor-Leste abruptly shuts down online gambling'.

Tobin, Meaghan, 2019, 3 August, 'Chinese cash: enough to keep East Timor out of Asean?', *This Week in Asia*.

United Nations in Timor-Leste, 2022, 23 August, *Remittance Mobilization Strategy for Timor-Leste*.

UNODC (United Nations Office on Drugs and Crime), 2024, January, *Casinos, Money Laundering, Underground Banking, and Transnational Organized Crime in East and Southeast Asia: A Hidden and Accelerating Threat*.

UNODC (United Nations Office on Drugs and Crime), 2025, 11 September, *Southeast Asia and the Pacific Organized Crime Threat Alert. Strategic infiltration of vulnerable jurisdictions through criminal foreign direct investments: the case of Timor-Leste*.

Varadhan, Sudarshan, and Ashley Tang, 2025, 17 October, 'East Timor expects construction of first large solar plant to start next year', *Reuters*.

Vieira, Remigio Alexandre do, 2025, 4 August, 'The National Development Bank and the Path Toward Economic Self-Reliance in Timor-Leste', *Tatoli*.

Yihe, Xu, 2025, 27 May, '«Very complicated»: Woodside's CEO talks Sunrise, wider LNG plans and challenges', *Upstream*.

Vietnam 2025: Tô Lâm's powerplay and the limits of bamboo diplomacy

Fabio Figiaconi

LOEWE research group World Orders in Conflict
Goethe University Frankfurt
figiaconi@em.uni-frankfurt.de

The present article analyses the main developments that have taken place in Vietnam in the year 2025 in the areas of domestic politics, economic and trade affairs, and international relations. When it comes to domestic affairs, one figure has dominated the scene: Communist Party of Vietnam (CPV)'s General Secretary Tô Lâm. Immediately after his appointment as CPV leader in August 2024 following the passing of his predecessor, Nguyễn Phú Trọng, Tô Lâm launched a series of comprehensive and radical reforms aimed at simplifying the country's administrative machinery and fully unlocking its economic potential. In addition, the reorganization served to consolidate his hold on power in the run-up to the 14th National Congress of the Communist Party of Vietnam, held in early 2026, where he was confirmed as General Secretary for another term. When it comes to the economic sector, in 2025 Vietnam has again registered a solid growth, notwithstanding the trade turbulences triggered by the Trump Administration's tariffs war. Finally, when it comes to foreign affairs, Vietnam has kept its active non-aligned behaviour, known as «bamboo diplomacy», in place, entertaining parallel relations with the United States, Russia, China, and other regional players. However, against the backdrop of accentuated great power tensions and a more complex regional and global environment, there is now the concrete risk that such a strategic approach may be on the verge of reaching its structural limits.

Keywords – Tô Lâm; Communist Party of Vietnam's 14th National Congress; New Doi Moi; New Era of National Rise; Trump Administration's Tariffs War; Chinese Transshipment; Limits of Bamboo Diplomacy.

1. *Introduction*

The year 2025 has been particularly eventful for Vietnam. Internally, the country has witnessed the power consolidation of the Communist Party of Vietnam's (CPV) General Secretary Tô Lâm, who acceded to power in mid-2024. Since then, he relentlessly pursued the reinforcement of his position via a series of sweeping reforms, which have interested the country's governmental structure, provincial organization, judiciary, and military, as well as some of the CPV's main organs. Such extensive measures served to reduce administrative bottlenecks and to try to accelerate economic growth and, in parallel, to prepare the terrain for the 14th National Congress of the Com-

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

munist Party of Vietnam, held in January 2026, where Tô Lâm was reconfirmed at the helm of the CPV. On the economic front, the country managed to weather the storm of the U.S. Trump Administration's tariffs war. Despite having been initially slapped with a 46% tariffs rate (one of the highest imposed globally by the United States), after long negotiations the Vietnamese leadership managed to reach a framework agreement which, if eventually implemented, would see the tariffs rate descend to 20%. At the same time, General Secretary Tô Lâm's policy activism also interested the economic sphere, where he launched reforms and set ambitious goals with the aim of consolidating Vietnam's economic trajectory for the coming decades. In the meantime, the year 2025 has also been one of robust economic progress for the country, with a 8% GDP growth. Finally, in the conduct of external relations, the country continued its longstanding «bamboo diplomacy», consisting of engaging multiple great powers at the same time and in multiple areas. However, given the ever-complexifying geo-strategic environment at the regional and global level and the rise of great power frictions, it remains to be seen whether and for how long structural conditions will remain conducive for Vietnam to keep pursuing such a multi-pronged foreign policy without a risk of backlash.

2. *Domestic Affairs*

2.1. *The «power consolidation through reforms» of the Communist Party of Vietnam's General Secretary Tô Lâm ahead of the 14th CPV National Congress*

The most important internal political development in Vietnam in the year 2025 was the consolidation of authority over the country and the Party by the Communist Party of Vietnam's General Secretary Tô Lâm. Tô Lâm was appointed as the leader of CPV in August 2024, after the death of the previous longstanding and all-powerful General Secretary Nguyễn Phú Trọng. His nomination came at the end of an unprecedented period of internal political turmoil for Vietnam, which saw the ousting of two Presidents of the country in 2023 and 2024, as well as the removal of numerous other prominent political figures who were allegedly involved in corruption activities and graft scandals [Quang-Anh Tran 2025; Reuters 2024, 26 August]. The downfall of such high-ranking officials was to be linked to the «blazing furnace» anti-corruption campaign, launched by Tô Lâm's aforementioned predecessor Nguyễn Phú Trọng both as a way to stop deeply entrenched malpractices and, especially, to punish rival factions and double down on his control over the CPV [Nguyen 2023]. Following Trong's passing, Tô Lâm's rise to the CPV's General Secretariat has marked a crucial turning point in Vietnam's political scene, representing a first step in the direction of political stability. In fact, his central involvement as the former Minister for State Security in the execution of the «blazing furnace» campaign has

provided Tô Lâm with substantial political capital, visibility, and leverage over his potential adversaries [Hutt 2024, 23 August]. On the other hand, however, as remarked by some scholars, his rise brought along the necessity to consolidate his legitimacy as Vietnam's leading figure by showcasing political resolve and delivering concrete results [Phan 2025, 31 January].

Indeed, just a few months after his accession to power, Tô Lâm started the process to set in motion a series of radical and long-ranging governmental and administrative reforms, which some analysts have dubbed a «second Doi Moi» [The Economist 2025, 22 May]. At the governmental level, in February 2025 the National Assembly voted in favour of a Resolution to restructure the governmental apparatus and augment its bureaucratic efficiency [Anh 2025, 19 February]. Under such administrative reform, for instance, Vietnam's ministries have now been reduced from 18 to 14, and a similar redundancy-reduction exercise has affected a number of government-affiliated agencies [Lin et al. 2025, 8 July]. Similarly, the CPV itself is also undergoing substantial restructuring, with some of its Commissions that will be merged and others, like the Commission for External Affairs, that are due to be suppressed altogether [Nguyen 2025]. Finally, the country's military and judiciary have also been subject to major reforms [Vietnam News 2025, 20 February; Vu and Nguyen 2025, 1 July]. At the administrative level, in July 2025 a sweeping reform redrawing Vietnam's administrative map entered into force, consolidating the country's 63 provinces into just 34 provinces and municipalities. Plus, it eliminated the intermediate administrative «district» level, effectively passing from a three-tier to a two-tier governance model [Agroberichten Buitenland 2025, 10 September]. Such restructuring is expected to reduce province-level officials by around 130,000 units, for a total saving of approximately US$ 7.3 billion between 2026 and 2030 [VnExpress International 2025, 11 June].

On the one hand, such initiatives have been motivated by a genuine desire to cut bureaucratic red tape, streamline the public administration, and increase the Government's capacity to act swiftly and more effectively [Truong 2025, 9 July]. On the other hand, they are a way for Tô Lâm to tighten his control over the CPV's cadres; for example, as observed by Abuza in an interview, «A 46% reduction in provincial party chiefs gives Tô Lâm incredible power – he can choose loyalists» [as reported in: Hutt 2025, 5 March]. Ultimately, the General Secretary's reform push has been functional to reinforce his newfound leadership position ahead of the 14th National Congress of the Communist Party of Vietnam, held in January 2026. Such gatherings are the key rites of passage where the CPV and the country's political equilibria for the following five years are decided. In this context, thanks to the political activism and tactical manoeuvring that characterized his first one and a half years in power, Tô Lâm managed to be reconfirmed by the National Congress as the CPV's General Secretary for the next *lustrum* and, also, was appointed as the country's President [Cave and Ngo

2026, 10 February]. Such a concentration of key political roles in the hands of a single figure, uncommon in a country with a track record of collective leadership like Vietnam's, *de facto* makes him one of the most powerful Vietnamese leaders in the last decades.

Next to Tô Lâm's powerplay, the year 2025 registered two important historical anniversaries for Vietnam. First, the 30th of April 2025 marked the 50th anniversary of the end of the Vietnam War and the subsequent national reunification. The conflict, which lasted from the French ousting from the country in 1954 up to the fall of Saigon to North Vietnamese forces in 1975, devastated Vietnam and caused between 1 and 3 million casualties, depending on various estimates [Deutsche Welle 2025, 30 April; Nguyen and Miller 2024]. In the official speech held at the commemorative ceremony, the CPV's General Secretary Tô Lâm took the occasion to take stock of the country's economic and international achievements and set some broad future goals in line with his reform agenda [Vietnam Plus 2025, 30 April]. Second, the year 2025 also marked the 80th anniversary of the August Revolution, when in the immediate aftermath of the Second World War, the Việt Minh Front's forces seized power and proclaimed Vietnam's independence, before being forced to relinquish control by the intervention of the Allied powers [Marr 2013]. In this case too, the celebrations have been used as a stage to project political messaging about Vietnam's priorities on the international stage, as evidenced for instance by Tô Lâm's mentions during his speech about the necessity to respect international law and the United Nations Charter and the country's firm belief in resolving disputes by peaceful means [Asia News Network 2025, 3 September]. Coming at an inflection point in Vietnam's politics, such important anniversaries have thus been instrumental to celebrate and showcase the country's successful development track-record under the CPV's guidance and to project, both internally and externally, an image of growing political confidence, strength, and stability.

3. *Economics*

3.1. *Continued economic growth notwithstanding the Trump administration's «tariffs war»*

Tô Lâm's wide-ranging reforms have also been directed towards the economic sector. Just days after his accession to the CPV's top spot in August 2024, he unveiled his idea that Vietnam was entering into a «new era of national rise». Such a vision is anchored into two ambitious economic objectives, i.e. «attaining upper middle-income status by 2030, which coincides with the CPV's centennial» and «reaching high-income status by 2045, when the Socialist Republic of Vietnam celebrates its 100th anniversary» [Phan 2025, 31 January]. In the quest to achieve the said goals, the years between 2024 and 2030 have been deemed as the crucial «sprint period» [Phan

2025, 31 January]. To pave the way for these ambitious targets, numerous measures were approved between the end of 2024 and 2025. First, important construction projects related to railways, nuclear power plants and port infrastructures, which had been slowed down due to the consequences of the afore-quoted «blazing furnace» anti-corruption investigations, have now been restarted, with a view to improving the country's logistical capacity and ameliorating its position as a hub in regional supply chains [Phan 2025, 23 April]. Second, the development of science and technology, innovation and digital transformation has now been identified as a strategic priority to foster Vietnam's growth. In line with this, in November it was announced that the state budget spent on science and technology accounted to 3% of GDP in 2025, up by more than one percentage point in comparison to 2024 [Government of Vietnam, 2025, 21 November]. Finally, in May, Vietnam's National Assembly passed a Resolution to ease regulatory constraints affecting the private sector, in an attempt to unlock its untapped economic potential [The Economist 2025, 12 November].

All in all, much time will be needed to observe how these reform initiatives will unfold and to fully appreciate their long-term effects. Yet, it is possible to argue that the stimulus stemming from such policy activism has already had some positive spillovers on Vietnam's economy. To be sure, the target set in February 2025 in a Resolution by the National Assembly to reach 10% of GDP growth on an annual basis for the years between 2026 and 2030 appears to be somewhat unrealistic [Le and Nguyen 2025, 26 June]. This *caveat* notwithstanding, the year 2025 has been one of economic upswing for the country. According to the National Statistics Office, Vietnam's GDP increased by 8.02% year-on-year [National Statistics Office of Vietnam 2026, 5 January]. In particular, it has been the industrial sector that has driven such economic expansion [Nguyen Hanh 2025, 11 November]. Also when it comes to FDI inflows the numbers are positive, with a total of US$ 38.4 billion registered in 2025 [Nguyen Hanh 2026, 22 January].

Crucially, this robust economic outlook has been achieved despite the headwinds originating from the imposition of import duties on the part of the Trump Administration. During the so-called «Liberation Day» on 2 April 2025, U.S. President Donald Trump announced a round of tariffs against a large group of countries accused of having profited from trade with the United States [Harithas et al. 2025, 3 April]. In this context, a 46% tariff was imposed on Vietnamese exports entering the American market, one of the highest overall [Vietnamnet 2025, 19 December]. If implemented, such a measure would have severely damaged the Vietnamese economy, whose performance is deeply intertwined with the exports to the United States, i.e. Hanoi's principal export market [Anh 2025, 17 February]. In order to try to remedy the situation, already on 4 April General Secretary Tô Lâm called President Donald Trump to signal Vietnam's resolution to come to an agreement correcting some of the perceived imbalances in the trade

relations [Lewe 2025, 18 December]. After months of negotiations, in July the Vietnamese Government managed to strike a preliminary trade deal with its U.S. counterpart, who, for its part, agreed to lower the tariff rate to 20% [Hayton 2025, 14 August]. Finally, on 26 October, the White House announced that the United States and Vietnam had reached an understanding on a Framework for an Agreement on Reciprocal, Fair, and Balanced Trade. According to it, Washington would keep in place the 20% tariffs on Hanoi's exported goods, while at the same time being granted a preferential market access for its industrial and agricultural exports to Vietnam [The White House 2025, 26 October]. As hinted by a journalistic inquiry from the New York Times, it is not to be excluded that the striking of such deals has been facilitated by the concession on the part of the Vietnamese Government of a fast-track procedure to the Trump Organization's envisaged project to build a US$1.5 billion golf venue in Hanoi's outskirts [Cave 2025, 25 May]. Also, a rumour circulated at the end of April 2025 that Vietnam had reached an agreement in principle to buy up to 24 U.S.-made F-16 fighter jets, which should probably also be interpreted as a tactic to soften Washington's hardline stance vis-à-vis the Southeast Asian country in the trade domain [Thai 2025, 27 May].

In spite of such trade turbulence, the Vietnamese commercial balance vis-à-vis the United States remained favourable. As reported by Reuters, in the first eleven months of 2025, Vietnam's trade surplus with its American counterpart accounted for US$ 121.6 billion, with its exports registering a 22.5% increase from the previous year [Vu and Guarascio 2025, 6 December]. The performance is even more notable if one takes into account the U.S. Administration's increased scrutiny over the so-called «trans-shipment» of Chinese goods via Vietnam, i.e. the practice by some Chinese firms to reroute their «made in China» products through the Southeast Asian nation and relabel them «made in Vietnam» with little-to-no locally added value, with the aim to circumvent higher U.S tariffs imposed on Chinese manufacturing. Ultimately, given the opaqueness of the United States' definition of what exactly qualifies as trans-shipped goods, how the issue will play out in 2026 and what consequences it will have on Vietnam still remains to be seen [Lopez 2025, 5 September]. However, the fact remains that, so far, Vietnam has managed to keep a favourable commercial account with Washington amid severe trade tensions.

The issue of trans-shipment is also a good proxy to understand that, next to the United States, China kept playing a fundamental symbiotic role in relation to the Vietnamese economy in 2025. Data provided by the Vietnam Trade Promotion Agency illustrate how, in the first nine months of the year, bilateral trade registered a year-to-year increase of 23% [Vietnam News 2025, 28 October]. Importantly, Beijing remained the country's main supplier, with a provision of goods accounting for a value of more than US$ 150 billion in the past year and providing key input for Vietnam's manufac-

turing industry [Nguyen Hanh 2025, 11 November]. In addition, Chinese companies have been making inroads into the Vietnamese market; for instance, tech firms such as Huawei and ZTE have recently been granted a number of contracts to provide telecommunication equipment [Guarascio 2025, 28 November]. As such, at present, Beijing's influence in the country is considerably on the rise [Guarascio et al. 2025, 14 April].

4. *Security and foreign policy*

4.1. *A «bamboo diplomacy» gone too far?*

When it comes to the conduct of its foreign policy and security relations, in the year 2025 Hanoi maintained its «bamboo diplomacy» doctrine. In practical terms, such a strategy entails that Vietnam «will promote diplomatic ties that serve its varied interests, even when the key partners in question may be politically opposed to each other» [Quang-Anh Tran 2025, p. 230]. Ultimately, the aim of the «bamboo diplomacy» is to maintain the country's long-held non-aligned stance and flexibility of action in the international arena [Nguyen 2024, 12 July]. Here again, the key protagonist has been General Secretary Tô Lâm. Under his guidance, the CPV has attributed to the conduct of foreign affairs the status of a «core, frequent mission», instrumental to advance national interests [Vu 2025, 27 November]. In concrete terms, such an update entails that Vietnam is gearing up to double down on the use of diplomatic engagements to boost its international profile and to manoeuvre within a more complicated global landscape. In accord with this vision, as many analysts have noted, Tô Lâm's figure has been front and centre during this year, demonstrating a marked activism in foreign policy affairs [Hoang and Pham 2025, 30 October]. Importantly, such activism can especially be observed in the flurry of relationships that the Vietnamese leadership entertained with different important players at the same time.

At the foreign policy level, the most important event to record is the state visit to Vietnam by Chinese President Xi Jinping in April 2025, in the context of a tour he made in Southeast Asia. At an official level, Xi Jinping's passage served to celebrate the 75th anniversary of the establishment of diplomatic relations between the two countries. The visit also had important practical outcomes, such as the signature of forty-five cooperation agreements in areas such as infrastructure development, science cooperation, and supply chain security [Li et al. 2025, 22 April]. Also, the two sides pledged to continue working together on the Global Development Initiative, the Global Security Initiative and the Global Civilization Initiative, i.e. China's flagship foreign policy frameworks to which Vietnam adhered back in 2023. Importantly, it must be noted that Hanoi was the first place where Xi Jinping stopped by during his Southeast Asia voyage; as scholars have highlighted, «Xi's decision to make Vietnam his first stop sends a clear mes-

sage – as Washington threatens punitive measures, Beijing offers economic stability and partnership» [Ellis 2025, 6 June].

In parallel, Hanoi continued its engagement with the United States. At the margins of the APEC meeting in the Republic of Korea in October 2025, Vietnam's President Lương Cường met with U.S. President Donald Trump. Besides trade-related talks, during the encounter the Vietnamese statesman called for increasing cooperation in political-diplomatic affairs, inter alia [Vietnam News 2025, 29 October]. In the same month, Vietnamese Prime Minister Phạm Minh Chính also held a meeting with President Trump at the ASEAN-United States Summit in Malaysia, extending to him an invitation to visit Vietnam [Vietnam Plus 2025, 26 October]. Put into perspective, such activities represent the concretization of the multi-vectorial foreign policy, which is the trademark of the «bamboo diplomacy».

The same approach can be observed in the conduct of Vietnam's security and defence relations with external partners. In this context, the most relevant news to report for 2025 is the revelation by the New York Times that Vietnam's military had been secretly looking to finalize deals to purchase arms systems from Russia, allegedly including 40 fighter jets, for a value of around US$ 8 billion [Cave 2025, 27 October]. To be sure, Hanoi-Moscow military linkages are extensive and go back a long way, up to the Cold War period [Zaręba 2022]. Yet, at a time when the Russian defence-industrial complex has been subject to sanctions and export-control measures by the European Union as well as by Asian states such as Japan, the Republic of Korea, and Singapore, the report about such undisclosed arms acquisitions might risk putting the country under a negative light and possibly endanger the image of a non-aligned actor that it seeks to project internationally.

The year 2025 has also been characterized by a tightening of military relations with China. Despite their existing territorial disputes in the South China Sea, the two countries continued their routine joint naval patrols in the Gulf of Tonkin [Vietnam News 2025, 25 November]. In addition, in July, Vietnamese and Chinese soldiers conducted the «Hand-in-Hand 2025» exercise in China's Guangxi Zhuang region. This event represents a significant milestone in the defence relationship between the two neighbours, as it is their first ever joint training between their armies [Nguyen 2025, 27 November]. Finally, the intensification of security cooperation has been functional to maintain close links at the party-to-party level, which is essential to preserve Vietnam's regime security against any possible external interferences [Seow 2025, 6 August]. All things considered, in this case as well Hanoi proved to be pragmatic, deepening military cooperation with China as a way to hedge its bets against a complexifying international environment and to manage a powerful neighbour.

Finally, the last leg of «bamboo diplomacy» can be observed in the country's security relations with the United States. As observed above, the

rumour that circulated in April 2025 about Vietnam's willingness to purchase American-made F-16 fighter jets can be interpreted as a way to signal closeness to Washington. Yet, to date, no confirmation about the deal's finalization has been announced. In any case, the U.S.-Vietnam defence engagement continued unabated, even in the face of frictions in the trade domain. On 2 November, U.S. Defence Secretary Pete Hegseth visited the country and met with CPV General Secretary Tô Lâm and Defense Minister Phan Văn Giang. During the meeting, Tô Lâm framed defence cooperation as «one of the most important pillars of bilateral relations» [DefenseNews 2025, 17 November]. The importance of bilateral defence ties was also reiterated during the 14th iteration of the Vietnam-U.S. Political-Security-Defense Dialogue, held one month later in Washington DC [Vietnam Plus 2025, 20 December].

By connecting the dots, it appears evident that Vietnam's foreign policy and defence relations with these three great powers in the current year should be regarded through the lens of a hands-on, multi-engaged foreign policy, consistent with the aforementioned «bamboo diplomacy». However, the looming question is for how long such a diplomatic approach can continue to yield results amid rising regional and international tensions and growing great-power rivalries. For instance, would the United States eventually agree to greenlight the sale of sensitive U.S.-made military equipment, given Vietnam's potential parallel acquisition of arms from Russia? Also, would the U.S. military be willing to boost relations with the Southeast Asian country, considering its apparent growing embrace of China? Or, conversely, could the U.S. Administration threaten to walk back from the apparent trade truce reached with Vietnam as a leverage to force it to water down its security engagement with Beijing? And finally, is China prepared to accept a potential increase of Russia's strategic influence in a country in its close neighbourhood? Evidently, it appears very difficult that all these issues can be true at the same time, representing a sort of «impossible triangle» which, in the medium-long term, might present the leadership in Hanoi with difficult choices to make.

A similar reasoning applies to Vietnam's relations with the Democratic People's Republic of Korea (DPRK). In October 2025, a high-level delegation led by the CPV's head Tô Lâm visited the northeast Asian country for the first time in eighteen years. Among the different agreements signed on this occasion, it has been reported that there was one covering defence cooperation, even though the details of it remain secret [Kim 2025, 13 October]. To be sure, Vietnamese-DPRK relations are in a sense a natural occurrence, as both are one-party communist states. Yet, besides party-to-party ties, even if one looks at the visit through the lens of a multi-directional and actively neutral foreign policy, one may wonder what kind of concrete advantages might accrue to Vietnam from engaging a regional «pariah», and all the more in a sensitive sector as the DPRK's defence, which has

been under United Nations sanctions since 2006 [Council on Foreign Relations 2022, 27 July]. As some scholars have commented, the visit should be read as a signalling exercise to different international actors that Hanoi is determined to be a friend with all parties and an enemy to none, being a sort of pragmatic diplomatic mediator and a «bridge» in a complex security environment [Pham 2025, 10 October; Yu 2025, 10 October]. On the other hand, however, it remains to be seen to what extremes such a position can be taken without giving to some partners the impression that, in reality, Vietnam is playing at too many tables at the same time, and even with problematic actors that are not socialized into the region's established institutional frameworks.

In addition, Vietnam's fragmented military procurement is also an integral consequence of its «bamboo diplomacy». Above, it has been explained how the country's leadership in 2025 has shown interest in acquiring fighter jets from both Russia and the United States. In addition, in the past months, news has circulated that Hanoi is negotiating a deal to buy US$ 300 million worth of K9 self-propelled howitzers from the Republic of Korea, and another deal worth US$ 700 million to purchase BrahMos supersonic missile systems from India [Malyasov 2025, 24 January; Malyasov 2024, 31 December]. As is apparent in the case of other Southeast Asian nations, such as Indonesia [Harsono 2025, 29 September], the acquisition of arms systems from a range of diverse actors, at times even having diametrically opposed strategic *weltanschauungs*, risks creating serious operational problems for the Vietnamese armed forces and sacrificing long-term strategic planning on the altar of short-term politico-diplomatic posturing.

Next to its relationships with these great and regional powers, the year 2025 also witnessed Vietnam being active in its regional theatre of reference. In the South China Sea, Hanoi added artificial land to all 21 rocks and features it occupies in the strategically relevant Spratly Islands [Snell 2025, 17 December]. The area enlargement has been complemented by the construction of military structures such as munition deposits and a runway [Asia Maritime Transparency Initiative 2025, 22 August]. Unlike Chinese land reclamation and militarization activities in other areas of the South China Sea, analysts have highlighted how Vietnam's activities should be seen as having purely defensive purposes [Pham 2025, 30 October]. Interestingly, contrary to its assertive response to the Philippines' multifaceted moves in the South China Sea, in the case of Vietnam's actions, Beijing has maintained a low profile and not publicly opposed them, a fact that seems to suggest that, if discussions between the two are happening, they are taking place through informal channels, likely at a party-to-party level (Steinhauser et al. 2025, 2 November). Lastly, Vietnam quietly reinforced its role as the leading architect in the Mekong Region's diplomacy. In this regard, we might note the high-level meeting that took place in Ho Chi Minh City in February 2025 between CPV General Secretary Tô Lâm, Cambodian Peo-

ple's Party President and President of the Cambodian Senate Hun Sen, and General Secretary of the Lao People's Revolutionary Party and President of Laos Thongloun Sisoulith, as well as the three countries' Prime Ministers. Under Vietnam's auspices, the event served as an important occasion to take stock of the progress in trilateral cooperation, discuss the Mekong Region's current challenges, and reflect on new future joint endeavours in areas such as defence and security, economic integration, and scientific-technical collaboration [People's Army Newspaper 2025, 22 February].

5. *Conclusion*

To sum up, in the year 2025 Vietnam has seen the power consolidation of CPV's General Secretary Tô Lâm, continued economic growth, and the prosecution of its longstanding «bamboo diplomacy». Internally, while it will take time to fully appreciate their effects, the extensive reforms have already redrawn the country's governmental and administrative structure. On trade, Vietnam has managed to control most of the damage originating from the Trump Administration's muscular trade policies and keep its close connection with China. In security and foreign affairs matters, Hanoi has continued to pursue a multi-directional strategy by engaging a number of great and regional powers concurrently, even though such an approach may soon become increasingly difficult to maintain as global and regional stability comes under growing strain. All things considered, it is possible to conclude that Vietnam's pragmatic policies have yielded results in 2025.

Bibliography

Agroberichten Buitenland, 2025, 10 September, 'A new era for Vietnam: national and local restructure for efficiency'.

Anh, Kim, 2025, 17 February, 'U.S. remains Viet Nam's largest export market in January', *Socialist Republic of Vietnam Government News*.

Anh, Kim, 2025, 19 February, 'New organizational structure of Government', *Socialist Republic of Vietnam Government News*.

Asia Maritime Transparency Initiative, 2025, 22 August, 'No Islet Left Behind: Vietnam Reclaims Land at Every Remaining Spratly Outpost', Center for Strategic and International Studies (CSIS).

Asia News Network, 2025, 3 September, 'Vietnam marks 80 years of independence with rousing ceremony, military parade'.

Cave, Damien, 2025, 25 May, 'Why Vietnam Ignored Its Own Laws to Fast-Track a Trump Family Golf Complex', *The New York Times*.

Cave, Damien, 2025, 27 October, '3 Takeaways From Vietnam's Drift Toward Russia and Away From America', *The New York Times*.

Cave, Damien, and Tung Ngo, 2026, 10 February, 'Vietnam's Leader Has New Power, and He's in a Hurry', *The New York Times*.
Council on Foreign Relations, 2022, 27 July, 'What to Know About Sanctions on North Korea', Backgrounder.
DefenseNews, 2025, 17 November, 'US arms deal still up in the air after Hegseth visit to Vietnam'.
Deutsche Welle, 2025, 30 April, '50 years after the end of the Vietnam War'.
Ellis, Asher, 2025, 6 June, 'Vietnam's careful US-China balancing act', *East Asia Forum*.
Government of China, Ministry of Foreign Affairs, 2025, 14 *April, Xi Jinping Meets with Vietnamese Prime Minister Pham Minh Chinh*.
Government of Vietnam, Ministry of Science and Technology, 2025, 21 November, *Viet Nam to allocate US$3.6 bln for development of science, technology, innovation in 2026: Prime Minister*.
Guarascio, Francesco, 2025, 28 November, 'Exclusive: Huawei, ZTE seal 5G deals in Vietnam after US tariffs, as ties with China warm', *Reuters*.
Guarascio, Francesco, Khanh Vu, and Phuong Nguyen, 2025, 14 April, 'China, Vietnam sign deals as Xi visits Hanoi amid US tariff tensions', *Reuters*.
Hayton, Bill, 2025, 14 August, 'Vietnam's tariff deal with Trump reflects balancing act between US and China', *Expert Comment*, *Chatham House*.
Harithas, Barath, Kyle Meng, Evan Brown, and Catharine Mouradian, 2025, '"Liberation Day" Tariffs Explained', *Commentary*, *Center for Strategic and International Studies*.
Harsono, Hugh, 2025, 29 September, 'Indonesia's haphazard military acquisitions risks its global ambitions', *Small Wars Journal*.
Hoang, Thi Ha, and Thi Phuong Thao Pham, 2025, 30 October, 'To Lam's foreign policy leadership in the "era of national rise"', *Fulcrum: Analysis on Southeast Asia*.
Hutt, David, 2024, 23 August, 'The Eighteenth Brumaire of To Lam'. *The Diplomat*.
Hutt, David, 2025, 5 March, 'What is Vietnam's administrative 'revolution'?', *Deutsche Welle*.
Kim, Jooheon, 2025, 13 October, 'North Korea, Vietnam sign deals on enhancing defense cooperation, other ties', *North Korea News*.
Le, Phan, and Hai Thanh Nguyen, 2025, 26 June, 'Vietnam's double-digit growth target is unrealistic yet useful', *East Asia Forum*.
Lewe, Paul, 2025, 18 December, 'Vietnam's relations with the United States under Trump 2.0'. *Konrad-Adenauer-Stiftung International Reports*.
Li Mingjiang, Le Hong Hiep, Ngeow Chow Bing, and Neak Chandarith, 2025, 22 April, 'How Southeast Asia sees Xi Jinping's regional push amid U.S.-China tensions', *Carnegie Endowment for International Peace*.
Lin, Jonathan, Oh HsiuHau, Tran Ngoc Hoang Phuong, and Tran Thi Phoung Thao, 2025, 8 July, 'Significant restructuring of Vietnam government underway', *Allen & Gledhill Perspectives*.
Lopez, Jackson, 2025, 5 September, 'In Vietnam's case, what, exactly, is the target of Trump's "transshipment" tariffs?', *The Interpreter*.
Malyasov, Dylan, 2024, 31 December, 'Vietnam set to buy BrahMos missiles', *Defence Blog*.
Malyasov, Dylan, 2025, 24 January, 'South Korea nears historic howitzer deal with Vietnam', *Defence Blog*.

Marr, David G., 2013, *Vietnam: State, War, and Revolution (1945-1946)*, Berkeley: University of California Press.
National Statistics Office of Vietnam, 2026, 5 January, *Socio-Economic Situation in the Fourth Quarter and 2025*.
Nguyen Hanh, Vu, 2025, 11 November, 'Vietnam Economic Performance in 2025: GDP, FDI, and Trade', *Vietnam Briefing from Dezan Shira and Associates*.
Nguyen Hanh, Vu, 2026, 22 January, 'Vietnam Economic Performance in 2025: GDP, FDI, and Trade', *Vietnam Briefing from Dezan Shira and Associates*.
Nguyen, Khac Giang, 2024, 12 July, 'Bamboo in the wind: Vietnam's quest for neutrality', *E-International Relations*.
Nguyen, Khac Giang, 2025, 27 November, 'Neither comrade nor ally: Decoding Vietnam's first army drill with China', *Commentary, Carnegie Endowment for International Peace*.
Nguyen, Khac Giang, 2023, 'Vietnam's anti-corruption campaign: Economic and political impacts', *ISEAS Perspective*, no. 41.
Nguyen, Khac Giang, 2025, 'Vietnam's bureaucratic reforms: opportunities and challenges in the era of national rise', *ISEAS Perspective*, no. 14.
Nguyen, Lien-Hang, and Edward Miller (eds.), 2024, *The Cambridge History of the Vietnam War*, Cambridge: Cambridge University Press.
People's Army Newspaper, 2025, 22 February, 'Vietnam, Laos, Cambodia fortify ties in new development phase'.
Pham, Nga, 2025, 30 October, 'Vietnam steps up reclamation work on strategic reef in S China Sea in island-building efforts', *The Straits Times*.
Pham, Quang Hien, 2025, 10 October, 'The message of the visit to North Korea that Vietnam wants to send to major countries', *Modern Diplomacy*.
Phan, Xuan Dung, 2025, 31 January, 'Vietnam's Era of 'National Rise': Great Expectations', *Fulcrum: Analysis on Southeast Asia*, no. 32.
Phan, Xuan Dung, 2025, 23 April, 'Vietnam goes big in its sprint to 2030', *East Asia Forum*.
Quang-Anh Tran, Richard, 2025, 'Vietnam 2024: Continued economic growth, change in leadership, and «Bamboo Diplomacy»', *Asia Maior*, XXXV/2024, pp. 223-33.
Reuters, 2024, 26 August, 'How has Communist-run Vietnam's graft campaign shaken up its politics?'.
Seow, Ian Cheng Wei, 2025, 6 August, 'Keep your enemies close: Vietnam's security cooperation with China', *Commentary, RSIS* (S. Rajaratnam School of International Studies).
Snell, Govi, 2025, 17 December, 'Vietnam nears completion of militarized South China Sea outposts', *Defense News*.
Steinhauser, Gabriele, Emma Brown, and Ming Li, 2025, 2 November, 'Vietnam Is Building Islands to Challenge China's Hold on a Vital Waterway', *The Wall Street Journal*.
Thai, Johnny, 2025, 27 May, 'How to read Vietnam's F16 purchase', *Asia Times*.
The Economist, 2025, 22 May, 'The man with a plan for Vietnam'.
The Economist, 2025, 12 November, 'Vietnam is rushing ahead with ambitious domestic reforms'.
The White House. Briefing and Statements, 2025, 26 October, *Joint Statement on a United States-Viet Nam Framework for an Agreement on Reciprocal, Fair, and Balanced Trade*.

Truong, Son, 2025, 9 July, 'Analysis: Why Vietnam's To Lam moved so quickly to restructure the government', *Radio Free Asia*.
Vietnamnet, 2025, 19 December, 'After tariff turbulence, Vietnam eyes fair trade deal with the US'.
Vietnam News, 2025, 20 February, 'State leader requests comprehensive restructuring of Defence Ministry'.
Vietnam News, 2025, 28 October, 'Việt Nam, China trade poised for new record in 2025'.
Vietnam News, 2025, 29 October, 'State President Lương Cường meets with US President Donald Trump in RoK, discussing trade agreement's progress'.
Vietnam News, 2025, 25 November, 'Vietnamese, Chinese navies hold joint patrol in Gulf of Tonkin'.
Vietnam Plus, 2025, 30 April, 'Party chief's address at national celebration of liberation of South and national reunification'.
Vietnam Plus, 2025, 26 October, 'Vietnamese PM meets US President on 13th ASEAN-US Summit sidelines'.
Vietnam Plus, 2025, 20 December, 'Vietnam, US vow to boost political, security, defence ties at 14th dialogue'.
VnExpress International, 2025, 11 June, 'Lawmakers approve mergers to reduce Vietnam's cities and provinces to 34'.
Vu, Khang, 2025, 27 November, 'Why Vietnam Is Elevating Foreign Affairs to a 'Core, Frequent' Mission', *The Diplomat*.
Vu, Khanh, and Francesco Guarascio, 2025, 6 December, 'Vietnam November exports down 7.1 % from October, overall trade surplus shrinks', *Reuters*.
Vu, Yen, and Huy Nguyen, 2025, 1 July, 'Vietnam's Major Judicial Reforms Take Effect 1 July 2025', *Rouse Insights*.
Yu, Zeyuan, 2025, 10 October, 'Vietnam's quiet rise: The new diplomatic bridge to North Korea', *ThinkChina*.
Zaręba, Michał, 2022, 'Role of military cooperation in Vietnam-Russia relations', *Eastern Review*, 2(11), pp. 51-66.

Cambodia 2025: Resilience in the face of economic and geopolitical insecurity

Caroline Bennett

University of Sussex, UK
caroline.bennett@sussex.ac.uk

2025 was a year of both domestic political consolidation and geopolitical tension for Cambodia, marked by two major aspects: an escalating on-and-off conflict with Thailand, and US trade tariff negotiations that spanned the year. These had human as well as political and economic impacts, and while the economy continued to grow, socio-economic indicators, such as education and poverty levels, remained mixed and unequal. The conflict with Thailand had economic and political, as well as human, consequences, including disrupted trade and reduced tourism. Thailand's economy and political sphere were also disrupted: one Prime Minister was removed from power and, at the end of the year, the Thai parliament was dissolved. Meanwhile, trade tariff negotiations with the US (settled as part of the ceasefire negotiations), are likely to continue to affect the Cambodian economy in the short and long-term. Perhaps in response to such risks, in 2025 the Cambodian government continued to diversify its export products and markets, and re-confirmed bilateral agreements with Vietnam and other economic and diplomatic partners.

Domestically, while some progressive legislation was passed, especially regarding environmental protections, democratic space was again tightened in Cambodia. 2025 marked 50 years since the beginning of the Cambodian genocide, and remembrance events highlighted its continued relevance to Cambodian people and politics. However, further legislation related to genocide memory, seemingly aimed at quashing opposition, was passed, and while large-scale government crackdowns on scam centres appear to be addressing elite criminal syndicates in the kingdom, the resulting human rights abuses are concerning.

Overall, Cambodia continues to display economic resilience in the face of geopolitical and global precarity, but a downward turn of authoritarianism and democratic reductions in the kingdom remains.

Keywords – Cambodia; Thailand; US; China; conflict; trade; tariffs.

1. *Introduction*

2025 was a year of domestic political consolidation (through extended repression, but also progressive policy-making and international allyship), and geopolitical tension for Cambodia, dominated by two key events: an ongoing off-and-on conflict with Thailand, which had substantial human as well as economic and political costs, and protracted tariff negotiations with

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

the US. Domestically, the economy continued to grow, although at a slightly slower rate than originally forecast. A number of large-scale infrastructural projects were inaugurated, including the opening of new roads, ports (sea and air), and continued expansion of electricity infrastructure. With minimum wages increased to US$ 208 pcm, poverty rates continued to drop, although the gap between the rich and the poor is growing [Meas 2025, 17 February]. In the last reporting (taken in 2023 and reported in 2025), around 17% of the population suffer multidimensional poverty (meaning they experience deprivation of money, education, and infrastructure), with 4% of the population experiencing severe poverty and living on less than US$ 3 per day [OPHI 2025]. Similarly, while educational improvements look promising, with almost 95% of children now completing primary education [Bao, Martens and Windzio 2025], quality and quantity of teaching still need improving [World Bank 2025]. Cambodia's commitment to educational reform, however, can be seen in the revised national Teacher Policy released as part of the Strategic Plan for Teacher Education Reform 2024-2030 in August 2025, which pledges to invest in teacher training and support to improve both the quality of teaching and the quantity of teachers [Royal Government of Cambodia 2025c].

More widely, widescale crackdowns aimed to curtail criminal activities at scam centres across the country, seeing the deportation and imprisonment of hundreds of people across the year. At the same time, the reduction of democratic space in Cambodia continued, with new repressive legislation being passed as Hun Manet continues to consolidate his rule. Climate change continued to affect Cambodia, causing the displacement of thousands, the lives of some, and the destruction or damage of crops and houses. Internationally, Cambodia continued its policy of diversification of markets and partners, made even more necessary this year due to the impacts of the conflict with Thailand and the trade negotiations with the US. Relations were reaffirmed with China and Vietnam, and new MOUs signed with other states. Singapore and South Korea became major investors in the kingdom this year, ahead of older partnerships with the EU and others. With 2025 marking 50 years since the takeover of Cambodia by the Khmer Rouge, it seems a significant year to note the changes and growth that have occurred in the last five decades, as well as mark the continuing influence of the regime, not least in the political sphere, where Hun Manet's leadership continues to echo that of his father.

2. *Domestic affairs-economic contraction; infrastructural growth*

2.1. *Infrastructural growth*

In October, Techo International Airport was officially inaugurated and saw its first flights. With three runways, current capacity for 13 million passen-

gers, rising to 30 million by 2030, and an estimated 50 million by 2050, the airport marks significant infrastructural growth for Cambodia. Costing US$ 2 billion, the airport represents more than just a growing tourist trade. Designed by the British architectural firm, Foster + Co (responsible for cutting-edge architectural structures including the Gherkin in London, the Zayed National Museum in Abu Dhabi, and 270 Park Avenue in New York) and funded primarily through Chinese investment, it represented both cultural and diplomatic relations as well as economic and infrastructural.

The airport was only one of several infrastructure projects inaugurated in 2025. Others included National Route 71C (linking Tbong Khmum with Kampong Cham province) – paid for by China as part of the Belts and Roads Initiative; Kampot International Tourism Port, a 4.2 hectare site with a port depth of 3m that can accommodate vessels carrying up to 300 passengers – financed by a loan from the Asian Development Bank as part of the Greater Mekong Subregion (GMS) Tourism Infrastructure for Inclusive Growth project [ADB 2025b]; and the opening of Bridge number 28 on Route 10 in Pursat province. In addition, by May, Cambodia reached a milestone by completing electricity provision to over 95% of households, far in advance of the World Bank's projections of 70% coverage by 2030 [Punreay 2025, 13 May]. In real terms, this means over 97% of villages and towns now have access to the national grid [EAC 2025]. However, as noted by Siciliano et al. [2025], while a milestone in infrastructural expansion, considerable work is still needed to overcome energy poverty and social inequality in rural Cambodia, while residents note service quality and affordability remain limited despite the expansion [Punreay 2025, 13 May].

These infrastructural projects represent more than development for Cambodia: many are indicators of the wider allyship and support of Cambodia, most significantly from China. While the amount of investment and projects undertaken by the Chinese in the kingdom could be seen as a risk, particularly for global security and geopolitical influence, these projects are advantageous for both nations, providing China with routes through the kingdom and access to strategic ports close to the South China Sea (such as the contested Ream port), while allowing Cambodia to improve its roads and transport routes, which ultimately support trade and tourism, as well as improving general facilities and access for the population. The concern of wider global powers on the relationship may not be shared by either nation.

2.2. *Scam centre crackdowns*

In recent years, Cambodia has become a central hub for scam centres in Southeast Asia, hosting over 50. In 2023, they contributed an estimated US$ 12.5 billion to Cambodia's GDP [United Nations Office on Drugs and Crime 2025]. Primarily situated along the borders with Thailand and Vietnam and in the port province of Sihanoukville (although some, such as

Haowang – one of the world's largest illicit marketplaces – are headquartered in Phnom Penh) [United Nations Office on Drugs and Crime 2025], the centres are often located within or close to casino and hotel complexes, some repurposed after being left empty following the COVID-19 lockdowns [United States Institute of Peace 2024]. They have been accused of people trafficking, torture, and child and slave labour, as well as international fraud [Office of the High Commissioner of Human Rights 2026].

Largely run by criminal enterprises, Cambodia has been under pressure to tackle this industry for some time. As such, in 2025 the government started to crackdown on these centres, increasing police attention to them, and establishing «The Technology Fraud Suppression Task Force» – a new committee aiming to combat online scams [Sovann 2025]. Across the year the crackdowns included multiple arrests and deportations to countries including China, South Korea, Singapore and Malaysia. In addition to Cambodia's efforts, which were directed mostly towards the workers, the UK, USA, and South Korea imposed sanctions on several key individuals and organizations, including one of the alleged kingpins, Chen Zhi: chairman of Prince Group, Cambodia's largest conglomerate company. While the Cambodian government initially protected Chen Zhi, urging the UK and the US to provide proof of their allegations [Associated Press 2025, 16 October], by the end of the year they succumbed to international pressure, and in January 2026, Chen Zhi was extradited to China for investigation.[1]

While Cambodia's efforts were large-scale and saw thousands of arrests and hundreds of deportations, some commentators are dubious as to whether the crackdowns are all they are reported to be, and it has been suggested that they could be reputational risk management aimed at redirecting attention and scrutiny as much as genuine attempts to control and curb the activities of crime syndicates [Sims 2026, 11 February]. Cybercrime generates the third largest proportion of GDP for the king-

1. There is likely to be economic and political fallout from Chen Zhi's extradition. The Prince Group, set up by Chen Zhi in 2015 after he was given Cambodian citizenship in 2014, has official investments of over US$ 2 billion in Cambodia (primarily in real estate and financial services), and, reportedly, billions more from illicit operations [Cowdock 2025, 16 December]. As well as being a key investor in the business economy, Chen Zhi invested publicly and politically in the nation, funding philanthropic projects such as educational scholarships and healthcare, and making substantial donations to the government. He was an official advisor to former PM Hun Sen and continued in that role on the succession of Hun Manet (see Tower and Amerhauser [2026] for more). Historically, the Cambodian government has protected its wealthy benefactors and protested international interference, so the extradition was surprising. However, while the change in position may show a change in the wind, it could also be a project of obfuscation: with Chen Zhi arrested, attention may be drawn away from the officials who benefitted from his donations and businesses. Prince Group has rejected the notion that Chen Zhi, or any of its holdings or connected businesses, are involved in illicit activity [Prince Holding Group 2025, 11 November].

dom, after tourism and exports, and has alleged links to many of Cambodia's high-level elites [Sims 2026, 11 February]. Many of the criminal enterprises' founders and CEOs have been granted Cambodian citizenship in recent years [United Nations Office on Drugs and Crime 2025], and the Cambodian government branded previous attempts to sanction syndicate leaders as politically motivated, and undermining «the respect for international law and basic norms of governing interstate relations, in particular the principles of sovereign equality and non-interference» [Royal Government of Cambodia 2024, 13 September]. While the task force's establishment in July seems promising, its jurisdiction is limited to Phnom Penh, although other provinces are «encouraged» to continue to tackle the issue [Sovann 2025]. Amnesty International has accused the Cambodian government of ignoring human rights abuses in the centres [Amnesty International 2025, 26 June], and actions taken against workers, many of whom have been trafficked, amounts to criminalization for either immigration violations or other activities. Meanwhile, the closure of so many operations at once has led to a reported humanitarian crisis in the country, as the government fails to support the thousands of workers left stranded in the country without jobs, money, or homes [Amnesty International 2026, 27 January].

2.3. *Political repression*

Hun Manet and his government further consolidated their leadership and reduced democratic space in 2025. In February, a new bill was passed by the National Assembly increasing punishments for denying atrocities committed by the Khmer Rouge, with custodial sentences of up to five years (from the previous six months to two years), and fines of between US$ 2,000 and US$ 125,000 (up from US$ 1,000) [Vibol 2025, 27 January]. While purported to be a measure of justice, the changes to the law were initiated by Senate president and former PM, Hun Sen, who has traditionally used legislation like this to quash opposition. In addition to this legislative change, in July, the National Assembly amended the constitution, providing a framework to enable amendments to the Nationality Law to be made, giving the government the right to revoke citizenship for individuals who «conspire with foreign countries to destroy national interests» [Mu 2025, 10 July]. As noted by Bong [2026, 30 January], both pieces of legislation are viewed by human rights groups as ways to limit opposition and prevent dissent against the ruling party by other legislators as well as the public.

As well as continuing to pass repressive legislation, the government's authority was tightened through other modes, including the arrest of several critics, including environmental journalist Ouk Mao (arrested in May), two journalists covering the border conflict (arrested in July), and 16 other alleged critics of Cambodia's management of the border crisis [HRW 2025;

RSF 2025].[2] These arrests, some without warrants, came alongside warnings by the Cambodian (state-owned) media of plans for a «colour revolution» [Mengdavid 2025, 15 September], a narrative that has been used to limit and quash opposition in previous years [Bennett 2021, 2023]. Similarly, the government sought to delegitimize and restrict reporting on the Thai-Cambodia conflict, claiming in October that it had found over 2,000 fake news items about the Cambodian government's handling of it [Khmer Times 2025, 31 October]. With fake news often being treated as a criminal offence in Cambodia (under the guise of being a threat to national security and public order), it seems likely that this is yet another way for the government to quash dissent. Observers and commentators, including the UN Special Rapporteur on the Situation of Human rights in Cambodia (Thai law professor Vitit Muntarbhorn) and Human Rights Watch, stressed the continuing restriction of civic and political rights, and overall worsening of human rights in Cambodia, a persistent pattern for many years [HRW 2025; Office of the High Commissioner of Human Rights 2025, 7 October].

The repression extends beyond the territorial boundaries of the kingdom. In January, Lim Kimya, a member of the opposition and former CNRP member, was shot by a former Thai marine in Bangkok, where he was living in exile following crackdowns by the ruling party against the opposition. Although the government stated that they had no part in this, Sam Rainsey, former leader of the opposition, and Phil Robertson, a representative of the Asia Human Rights and Labor Advocates (AHRLA), and former Deputy Director of Human Rights Watch Asia Division, claimed it to be another incident in the ongoing transnational repression of Cambodian opposition [AFP 2025, 9 January; Walker 2025, 7 January]. Later in the year, in a statement at the UN Human Rights Council's 60th meeting, Olimjon Bakhtaliev, speaking for the human rights organization CIVICUS, drew attention not only to increased repression within the kingdom, but also the use of transnational pressure, including enforced disappearances and unlawful killing [CIVICUS 2025, 6 October].

What this all tells us is that despite some overall improvements in terms of national economic and demographic levels, Cambodia remains a country of deep social and economic inequality, where freedom of speech and democratic opposition is increasingly denied, and other human rights are repeatedly attacked. With the ongoing expansion of the Cambodian People's Party's authority, alongside the contraction of democratic space, this pattern looks set to continue in subsequent years.

2. The journalists arrested in July, Pheap Phara and Phon Sopheap, were convicted of treason in December 2025 and sentenced to fourteen years imprisonment in February 2026 [International Federation of Journalists 2026, 27 February].

3. *The economy and foreign relations*

Cambodia's economy continued to grow in 2025, levelling out at 4.8% growth by the end of the year, which, while reasonable, was slightly lower than originally forecast [Ly and Hayati 2025]. Growth was driven by a number of factors. Foreign investment, particularly in infrastructure (see above), remained high, and diversification of the export market and expansion of countries traded with began to see dividends. Going into 2026, however, the World Bank [2026] is forecasting a greater reduction in growth (at 4.3 %), influenced by the continuing conflict with Thailand, pressures from changes to US trading, and, critically, climate change.

Indicators of more difficult times to come, in addition to those above, include trade pressures affecting the global rice market and slowing domestic credit, often an indicator of wider economic difficulties. In addition, while Foreign Direct Investment remained substantial (totalling US$ 5.1 billion in 2025, an increase of 16% from the previous year) [Chamrong 2026, 17 February], domestic credit growth slowed to 4.9%, a significant drop from its highest point of 26% before the COVID-19 pandemic. While the overall impact of this alone is negligible, added to a reduction in the property and construction markets (previous drivers of growth) and impacts from the above mentioned situations, mean that, while it could still be possible, reaching the Cambodian government's aim of becoming a middle-income country by 2030 will require substantial flexibility in dealing with these ongoing challenges and others that may arise.

3.1. *Cambodia-Thailand conflict*

With a long history of territorial disputes going back to border demarcations made at the beginning of the 20th century, tension between Thailand and Cambodia grew throughout 2025.[3] The early months saw the closure of the border (affecting trade and workers), public rallies in both countries, and verbal threats of international prosecution by both sides. The tension erupted into direct action on 28 May, when a Thai soldier was injured by a land mine. While this initial period of fighting was short, it was the first of repeated armed clashes throughout the year, which continued into 2026. Both sides employed heavy artillery, and there were accusations by Thailand of new landmine dispersal by Cambodia [Royal Thai Government 2025, 10 August], while Cambodia accused Thailand of chemical warfare [Monica and Pratana 2025, 18 December]. Exact numbers killed are unknown, but by the end of 2025, Cambodia had reported 18 civilian deaths and 79 injuries (it had not released military death figures), and Thailand had reported the deaths of 26 soldiers and 16 civilians [WHO 2026]. In addition, over half a million Cambodians and 200,000 Thai people had been displaced [WHO 2026].

3. For an overview of the roots of the conflict, see Strangio [2025, 28 July].

Both countries accused the other of escalation, and while independent analysts noted that in the first half of 2025, Cambodia started reinforcing several of its military positions [Hunter 2026, 1 January], the actual situation is hard to determine due to a lack of satellite imagery of the Thai side of the border. A series of peace talks and ceasefires over the year, brokered mostly in Malaysia (currently the chair of ASEAN) with input from the U.S. and China, repeatedly broke down, increasing hostility and distrust on both sides. As the year ended, in attempts to maintain a ceasefire, both states agreed to the creation of temporary border installations and the deployment of ASEAN observers to the area [Strangio 2025, 18 December]. Despite this, December saw the longest period of fighting, which continued into 2026.

Political jibing over the conflict came in various forms. In May, Cambodian Prime Minister Hun Manet threatened to take Thailand to the International Court of Justice. Later in the year, the Thai Prime Minister accused Cambodia of desecrating its soldiers by leaving their bodies to rot at the border. Cambodian authorities accused Thai forces of psychological warfare in the form of noise, including the sound of wailing ghosts, being played to try to scare Cambodian residents from the area [Lamb 2025, 17 October]. Meanwhile, the Thai government accused Cambodia of employing Russian mercenaries to fight alongside its own soldiers [Thai PBS News 2025]. In September, Thailand announced its intention to build a 10km fence along the border [The Strait Times 2025], and in November, Cambodia pulled out of the 66th Southeast Asian Games (being held in Thailand), citing safety concerns [Wen 2025, 11 December]. Not only politicians and the military took stances on the conflict. Rallies were held on both sides of the border, and in one of the strangest actions related to the conflict, in August, Thai influencer Gun Jompalang (full name Guntouch Pongpaiboonwet), was stopped from taking to the border a convoy of sewage trucks, which he was threatening to deploy if the conflict re-escalated, [Bangkok Post 2025, 25 August]. Meanwhile, UNESCO [2025b], and the government of India [HT News Desk 2025, 12 December], concerned about damage to ancient temples in the area (including Preah Vihear and Ta Muen Thom), urged the protection of cultural heritage.

Beyond the human suffering, the consequences of the conflict were far-reaching. In August, the Thai Prime Minister was removed from power after a leaked phone-call between her and CPP president and former Prime Minister, Hun Sen, in June, in which she appeared to criticize the Thai military and side with Hun Sen [Baker 2025, 29 August]. In December, the new Prime Minister, Anutin Charnvirakul, dissolved the Thai parliament and announced snap elections, citing the conflict as one of the challenges of his government [Sharp 2025, 12 December]. Meanwhile, it was reported widely in Cambodia that students and migrant workers in Thailand were facing harassment, although the Thai government stated that an investiga-

tion into the matter had found no evidence or reports of this [Royal Thai Government 2025, 5 August).

The conflict affected the economy in several ways. Border closures affected the flow of goods and personnel: by mid-2025, over 900,000 migrant workers had returned to Cambodia from Thailand, putting pressure on both economies [CDRI 2025]. The border closures and actions taken related to the conflict resulted in a 26-28% reduction of Thai imports to Cambodia, and a 50% reduction of Cambodian goods exported to Thailand [AMRO 2025]. Fuel and gas imports were stopped, and the number of visitors from Thailand, previously Cambodia's largest market, fell significantly [Chamrong 2026, 29 January].

Critically, the conflict affected tourism. Tourism is one of Cambodia's main sources of income, representing 8% of overall GDP [World Bank 2026]. Because of the ongoing tension, in the later part of the year, several countries (including Canada, France, and New Zealand) added travel advisories to their advice on Cambodia. In addition, South Korea banned its residents from visiting Kampot and Poipet, after a student was allegedly tortured to death at a scam compound in August [Yonhap 2025, 4 December]. This, along with wider global security and economic issues, meant far fewer people visiting the kingdom and, by December, Cambodia had welcomed just over 5.5 million international visitors, a 16.9% drop from the previous year. Over 82% of those visitors came from Asia and the Pacific, with the largest number of visitors (just over 1.2million) coming from Vietnam, closely followed by China. Although Thailand represented the third largest cohort of visitors, its numbers had more than halved since the previous year [Royal Government of Cambodia 2025b]. The long-term impact of the conflict is as yet unknown; given its effects on the movement of goods and people, however, it is likely to be significant.

3.2. *US relations and trade tariff negotiations*

The relationship between Cambodia and the US has often been up and down, but the US has been a vital investor and trading partner for the kingdom for many years. Exports to the US currently comprise around one third of Cambodia's export market and around 25% of gross GDP [ADB 2025a]. As such, Cambodia, like many other global states, was significantly impacted by US trade and tariff negotiations this year.

Initially, statements from Trump suggested general export tariffs for Cambodia would be 49%, with some industries, such as solar, up to 3,500% (allegedly to protect US producers but also seen as a punishment for the lack of cooperation by the Cambodian government with the US Commerce Department looking into the goods) [Da Silva 2025, 22 April]. After many talks, and much negotiation, and as part of the peace deal brokered by Trump between Cambodia and Thailand, bilateral agreements were finally signed between Cambodia and the US in December. These fixed trade tar-

iffs at 19% for general exports. While the relationship between the two nations looks restored (indeed, following the first ceasefire, Hun Manet made a Facebook post announcing his intention to nominate Trump for the Nobel Peace Prize), the impacts of the US's trade tariffs are yet to be seen. It is, however, predicted to be substantial. The World Bank has forecast a downturn in global trade of 0.7-2%, with the US responsible for 70-80% of this decline [World Bank 2025, 16]. As such, Cambodia remains vulnerable to future changes [ADB 2025a].

As well as trade, relations between the US and Cambodia were extended in other directions. Of particular note were those concerning security and the military. In October, the US announced the re-starting of joint military exercises, last held in 2017, and in November, Trump's administration lifted the embargo on arms trading with Cambodia, put into force under Biden's administration [Hunt 2025, 22 October]. Trump may view Hun Manet as a potential ally in the region. With global tensions rising, an ally in Southeast Asia could be valuable, and with its policy of non-political interference, and facilities including Ream Naval Base (capable of housing US warships in its deep dock) and the new Techo International Airport providing military transport possibilities, Cambodia could be a good bet. Some actions seem to hint at possible military allyship. In addition to the lifting of the arms trade embargo and the restitution of joint military exercises, in September, the US renewed funding for demining in the kingdom despite widespread cuts to aid internationally. Only time will tell how the relationship between Hun Manet and Trump will evolve.

3.3. *China, Vietnam, trade diversification and market expansion*

While relations cooled with Thailand due to the ongoing conflict, and trade negotiations with the US created some tensions, Cambodia's government maintained or strengthened relations with its other major partners, China and Vietnam. It also continued to expand trading and diplomacy, signing MOUs with several new countries and diversifying its exports, helping insure against shocks from overdependence on either specific products or particular states.

3.3.1. *China*

China remains Cambodia's largest foreign investor and trading partner, owning 73% of Cambodia's FDI. The «iron-clad» relationship between the two nations was reaffirmed in several ways in 2025, from state visits (of Xi Jinping to Cambodia in April, and Hun Manet to China in August), to the naming of roads and bridges after the Chinese leader, and, of course, the reaffirmation, creation, or extension of a number of bilateral agreements on trade, tourism, and other aspects of political life. Investment from China was multifaceted, ranging from infrastructural improvements (with further

support given as part of the Belt and Road Initiative, the Fish-Rice Corridor, and the Industrial Development Corridor) to export manufacturing and industrial production [Chamrong 2026, 17 February]. In August, the China-Cambodia Free Trade Agreement (CCFTA) was expanded, and by the end of the year, FDI from China to Cambodia amounted to US$ 3.7 billion, representing 73% of FDI in Cambodia, and a 43% increase from 2024, when its investments totalled US$ 2.6 billion [Chamrong 2026, 17 February].

Beyond investment and trade, military partnerships were also continued and reaffirmed. A 15-day joint military exercise was held in Cambodia in March, and 2025 saw another year of the Golden Dragon military exercises between the two nations, out of Ream naval base. While this once again raised concerns with some international authorities, concerned that the expanded base, close to the disputed South China Sea, and funded primarily by Chinese investment, was being renovated to act as a base for China in the region [Bennett 2021, 2023], Cambodia and China have always denied this, and in April, two Japanese warships docked at the base [AFP 2025, 19 April], while in January 2026, the USS Cincinnati docked there.

The mutual political support was expressed in a number of ways. In April, it became clear that Cambodia continues its commitment to the One China policy, when several Taiwanese citizens, arrested as part of the crackdown on scam centres, were deported to China rather than Taiwan [Hobbs 2025, 28 May]. In a similar mode of support, Xi Jinping stated that «China will unswervingly support Cambodia in upholding strategic autonomy and in pursuing a development path suited to its national conditions» [Peck and Cheang 2025, 17 April]. This mutual non-interference/political allyship has long been a characteristic of the two nations' relations. It looks set to continue. At the inauguration of Xi Jinping Road in Phnom Penh in April, the same month remembering 50 years since the Khmer Rouge took power, Hun Manet stated that alignment between the two countries' infrastructure initiatives had provided «win-win results». While this seems innocuous on the face, it echoes the name of the policy Hun Sen developed in the late 1990s that brought an end to the ongoing civil war between the remnants of the Khmer Rouge and the Cambodian Government. The win-win policy, which offered Khmer Rouge leaders amnesty and an equal position in the Cambodian government if they laid down their arms, is seen as laying the path for the ongoing culture of impunity and endemic corruption among Cambodia's governance institutes and elites. Using its language to describe the relations between China and Cambodia could be an indicator of a similar approach to politics.

3.3.2. *Vietnam*

Vietnam has long been an important partner for Cambodia. However, relations have been a little tense recently, following Cambodia's decision, in 2024, to withdraw from the Cambodia-Laos-Vietnam Development Triangle

Area (CLV-DTA). Given that the initiative was developed under the leadership of Cambodian CPP president and former PM, Hun Sen, this move was surprising. Despite this, Vietnam remained an important economic partner with Cambodia, investing over USD $550 million in 2024, with total investment totalling approximately US$ 3.5 billion [Nguyen 2025, 9 July]. 2025 saw relations reaffirmed and expanded. In February, a trilateral meeting between China, Cambodia, and Vietnam, was held in Ho Chi Minh City, the first in three years, and in May, a bilateral trade agreement was signed, guaranteeing preferential trade tariffs between the two countries and pledging to continue to strengthen connections between them [Nguyen 2025, 9 July]. In July, the Cambodia-Vietnam economic partnership was renewed, including a tourist initiative also involving Laos titled «One journey, three destinations». In September, a new MOU, aiming to expand tourism links, was unveiled at the Ho Chi Minh International Tourism Expo [Socialist Republic of Vietnam 2025, 5 September]. The strengthening of ties between Cambodia and Vietnam is likely to reflect the vulnerability of both countries to the US trade tariffs. The focus on tourism may have additional advantages for Cambodia because of the drop in visitors from Thailand and other countries stemming from the ongoing conflict.

3.3.3. *Diversifying markets and strategic partners*

In 2024, almost 5% of all rice in the global market was exported from Cambodia, and as one of Cambodia's key agricultural exports (the others being cassava and rubber), it generated US$ 1.9 billion [OEC 2025]. However, due to an increase in global production, including the re-entry of India to the market, by October 2025 the global price of rice had fallen by an estimated 2.1% from the previous year [World Bank 2025]. With agriculture constituting almost 17% of Cambodia's GDP, and responsible for the employment of 3.1 million people (largely in the rural areas), even a small reduction is critical; this 2.1% global rate equated to a 2.5% drop in Cambodia [Food and Agriculture Organization of the United Nations 2025]. With prices continuing to decline at the beginning of 2026, it is likely that Cambodian farmers will look to diversify their crops. This has the potential to change Cambodia's economic outlook in the long term.

The need to diversify both markets and products had additional drivers in 2025, including the protracted trade negotiations with the US, the additional pressure for employment from the migrant workers returning from Thailand due to the conflict, and the effects of climate change on both agriculture and people's living conditions. Clothing, shoes, and travel goods continued to dominate the Cambodian export market, bringing in USD $15.5 billion and representing just under 50% of the market [Agence Kampuchea Presse 2026, 8 January]. While Cambodia's largest trading partner continues to be China, and bilateral trade agreements were renewed with Vietnam and the US in 2025, the Cambodian government expanded the

number of countries it trades with. It now trades with 169 countries, up from 164 the previous year [Kunthea 2026, 9 January], and the diversified export markets helped create an overall revenue of US$ 31.28 billion, a 17% increase from 2024 [Kunthea 2026, 9 January].

Diversification is not new for Cambodia. The kingdom's economic policy has long been one of diversification and strategic partnering. Speaking at the second OECD Due Diligence Platform meeting in Paris in October, Sok Siphana, Senior Minister in charge of Special Missions, and Chairman of the Trade Policy Advisory Board, noted Cambodia's openness to diversification based on global market needs. However, while it is true that Cambodia has long been adaptable to changing markets, in contemporary times, it may be more challenging. Demands for human rights and environmental protections are growing in the global market, and Cambodia's record on these factors is somewhat patchy. Nevertheless, plans are to further diversify, growing the sectors of agro-processing, electronics, and automotive parts [Manet 2025, 30 October].

Importantly, it is not only export products that Cambodia has diversified: the balance of income from alternative states has shifted. In previous years, the US and Europe were Cambodia's largest partners after China. In 2025, however, Cambodia's second-biggest investor was Singapore, amounting to US$ 347 million (6.8 % of FDIs in Cambodia). Canada followed, bringing in 4.5% of the market at US$ 230 million, and South Korea invested US$ 165 million (3.2 % of FDIs) [Chamrong 2026, 17 February]. It seems Hun Manet's government, following in the footsteps of his father's, remains economically agile, willing to expand its reach and create new relationships that should, provided China remains close, see it steady in the next few years.

3.4. *Climate change*

The final aspect impacting Cambodia's economy and political outlook worth analysis is climate change, the effects of which are already being felt across social, economic, and political spheres in Cambodia. While there was some positive news on the environmental sphere in 2025, including reported expanded air and water monitoring and strengthened protection of natural areas at the national level [Khmer Times 2026, 30 January], and local projects such as the releasing of several rare Greater Adjutant Stork chicks into the wild in November [Lach 2025, 20 November], several events over the year illuminate the very real threats to livelihoods and life in Cambodia. Between July and September, 19 people were killed in floods, and in September and October, flash floods displaced thousands of people in Ratanakiri. 11 other provinces also felt the effects, including damage to 25,000 homes and the destruction of over 630 hectares of crops [CamboJA News 2025, 2 October]. While Cambodia has made great progress in recent years in the reduction of malaria (with a reported 74% reduction in cases

in 2024), there are fears that erratic weather and the resulting change in mosquito behaviour will affect the eradication programme, concerns made worse by a global increase in cases over the last few years [Krishnan 2025, 3 November].

In attempts to pre-empt further risks, the Cambodian government announced a number of initiatives this year aimed at addressing the issue and improving the overall environment in Cambodia, as well as addressing wider effects of climate change. In February, notes for a grant were signed with Japan for «the Project for the Improvement of Disposal Capacity of Plastic Litter in Urban Provinces» aimed at the discharge of waste into the Mekong and other waters, and addressing other environmental health issues [Government of Japan 2025, 27 February]. In May, the Cambodian government announced the launch of the Cambodia «Climate Change Strategic Plan 2024-2033» (CCCSP 2024-2033), outlining a nationwide framework that aims to reduce emissions, achieve carbon neutrality, improve sustainability and resilience, and improve climate governance across all sectors of society [Royal Government of Cambodia, 2025a]. In June, the Prime Minister attended the UN Ocean Conference in Nice, France, announcing Cambodia's signing of the High Seas Treaty (officially titled the *Biodiversity Beyond National Jurisdiction Agreement*, BBNJ). August saw the government announce the extension of the Green Bonds Programme, established in 2023 to support companies attempting to improve their sustainability, and November saw several initiatives launched addressing climate issues. These included a US$ 763 million investment program from the Asian Development Fund aimed at strengthening Cambodia's water security and building climate-resilient cities, a New Zealand funded project of NZD $12 million aiming to increase rural household incomes and ensure child well-being through climate-resilient horticulture, and the launch of «A National Roadmap for Early Warnings for All» (EW4ALL 2025-2028), a strategic plan (to be delivered in partnership with the United Nations World Food Programme) setting «a clear path to strengthen resilience against climate and disaster risks» [WFP 2025].

These initiatives and agreements do not come out of a vacuum. In recent times, and since the takeover of Hun Manet as Prime Minister in particular, the Cambodian government has begun including environmental concerns into its development plans. The drivers for this are both economic and social. Agriculture represents approximately 17% of Cambodian GDP, employing around one third of the working community, and providing the livelihood for an estimated 65 per cent of the population [WFP 2025]. In addition, nearly 80 percent of Cambodians live in rural, climate-sensitive locations. With extreme climate events increasing, and weather patterns becoming less predictable, the knock-on effects are liable to be felt at every level of Cambodian society. Although the elites may feel it, it will be the rural poor, already victims of social and political inequality, who will suffer

the most. While the initiatives launched indicate a broad attempt to address different aspects of the issue, the reality will need significantly higher funding and co-ordinated planning to protect the most vulnerable.

4. *Remembering the past – 50 years since the Khmer Rouge*

A note to finish on is one of remembrance. 2025 marked 50 years since the invasion of the Khmer Rouge to Phnom Penh and the start of the Cambodian genocide, an event that continues to shape Cambodia's social and political sphere. Remembrance ceremonies were held across the country, and in July, Tuol Sleng Genocide Center, Choeung Ek Genocidal Center, and M-13 prison were inscribed as Khmer Rouge memorial sites and added to the World Heritage List by UNESCO. Recognised as being of Outstanding Universal Value, this designation (*Cambodian Memorial Sites: From centres of repression to places of peace and reflection*) [UNESCO World Heritage Centre 2025b] marked an important point for Cambodia, not only for its own memorialization, but for its inclusion as a country whose recent history, as well as its ancient past, is significant within world heritage. It also marks the ongoing importance of the genocide for Cambodian society. While the transformation of Cambodia over the last five decades is dramatic, the Khmer Rouge continues to shape the Cambodian political sphere. Not only was it significant in the rise of the autocratic dynasty of the Cambodian People's Party, which has ruled Cambodia in one form or another since the regime's deposal in 1979, but iconography and political rhetoric related to threats and peace-making since the era remain important. This pattern continues with Hun Manet and his premiership of the CPP.

Bibliography

ADB (Asian Development Bank), 2025a, 'Economic impacts of the United States tariff on Cambodia', *ADB Briefs*.

ADB (Asian Development Bank), 2025b, 'Completion report: Cambodia: Greater Mekong subregion tourism. Infrastructure for Inclusive Growth Project. Project number 46293-004'.

AFP, 2025, 9 January, 'Cambodian police arrest suspect in politician's Bangkok shooting.'

AFP, 2025, 19 April, 'Japanese warships dock at Cambodia's Chinese-renovated naval base.'

Agence Kampuchea Presse, 2026, 8 January, 'Cambodia's international trade up 18 percent to over US $65 billion in 2025.'

Amnesty International, 2025, 26 June, 'Cambodia: 'I was someone else's property': slavery, human trafficking and torture in Cambodia's scamming compounds'.

Amnesty International, 2026, 27 January, 'Cambodia: Growing humanitarian crisis as escaped scamming compound survivors tell of murder, rape and torture.
AMRO, 2026, 17 November, 'Assessment of the Impact of Cambodia-Thailand Border Conflicts on Cambodia's Economy', AMRO Analytic Note.
Associated Press, 2025, 16 October, 'Cambodia urges a fair process as U.S. and U.K. pursue Prince Group's Chen Zhi in a global scam case'.
Baker, Graeme, 2025, 29 August, 'Thai court removes PM over leaked phone call with Cambodian leader', *BBC*.
Bangkok Post, 2025, 25 August, 'Thai social media star stages sewage stunt at tense border'.
Bao, Fangyue, Kerstin Martens, and Michael Windzio, 2025, 'Education policy between persistence and change: grand transformations processes and cultural spheres in the case of Cambodia', *Frontiers in Education*, 10.
Bennett, Caroline, 2021, 'Cambodia 2018-2021: From democracy to autocracy', *Asia Maior*, XXXIII/2021, pp. 191-220.
Bennett, Caroline, 2023, 'Cambodia 2022-2023: Securing dynastic autocracy', *Asia Maior*, XXXIV/2023, pp. 217-234.
Bong, Chamsanbath, 2026, 30 January, 'Cambodia looks ahead after a turbulent 2025', *East Asia Forum*.
CamboJA News, 2025, 2 October, 'Floods sweep provinces, devastating crops and leaving one dead, four missing.'
CDRI (Cambodia Development Resource Initiative), 2025, 'Navigating the economic transition of Cambodia's returning workforce: suggested policy approaches', Rapid Policy Note.
Chamrong, Nhean, 2026, 29 January, 'Cambodia records 5.5M tourists in 2025 as Thai aggression dents arrivals', *Khmer Times*.
Chamrong, Nhean, 2026, 17 February, 'Cambodia secures $5.1B FDI in 2025, up 16%', *Khmer Times*.
CIVICUS, 2025, 6 October, 'Statement at the UN Human Rights Council's 60th Session, interactive dialogue with the UN Special Rapporteur on Cambodia. Delivered by: Olimjon Bakhtaliev'.
Cowdock, Ben, 2025, 16 December, 'Dirty Money: How a £46 billion criminal enterprise made the UK its second home', *Transparency International UK*.
Da Silva, João, 2025, 22 April, 'US sets tariffs of up to 3,521% on South East Asia solar panels', *BBC*.
EAC (Electricity Authority of Cambodia), 2025, 'Key developments in the electricity sector for 2025', https://eac.gov.kh/post/index
Food and Agriculture Organization of the United Nations, 2025, *FAO Rice Price Update*, Food and Agriculture Organization of the United Nations, Market and Trade.
Government of Japan, 2025, 27 February, 'Signing and exchange of notes concerning a grant aid "the project for the improvement of disposal capacity of plastic litter in urban provinces" to the Kingdom of Cambodia', Government of Japan, Ministry of Foreign Affairs of Japan, Press Release.
Hobbs, Coby, 2025, 28 May, Suspected Taiwanese trafficking victims caught in Cambodia's 'deficient' scam crackdown', *The Diplomat*.
HRW, 2025, 5 November, 'Cambodia: Border conflict critics arrested'.
HT News Desk, 2025, 12 December, 'Matter of Concern': India on damage to the Preah Vihear temple site on Thailand-Cambodia border'.
Hunt, 2025, 22 October, 'US lifts arms embargo after renewing military exercises', *Defense News*.

Hunter, Murray, 2026, 1 January, 'The 2025 Thai-Cambodian conflict viewed through Glasl's nine-stage conflict escalation model-analysis', *Eurasia Review*.
International Federation of Journalists, 2026, 27 February, 'Cambodia: Two journalists jailed for 14 years under treason law'.
Khmer Times, 2025, 31 October, 'Over 2,000 fake news items found attacking Cambodian government over border dispute with Thailand'.
Khmer Times, 2026, 30 January, 'Environment Ministry Highlights Clean Air, Green Growth in 2025 Review'.
Krishnan, Sonny Inbaraj, 2025, 3 November, 'Climate change threatens Cambodia's hard-won progress toward malaria elimination', *Cambodianess*.
Kunthea, Mom, 2026, 9 January, 'MoC reports growth in exports, market diversification', *Khmer Times*.
Lach, Chantha, 2025, 20 November, 'Cambodia releases rare captive-bred storks in conservation breakthrough', *Reuters*.
Lamb, Kate, 2025, 17 October, '"Wailing ghosts through loudspeakers": Cambodia accuses Thailand of psychological warfare along border', *The Guardian*.
Ly, Sodeth, and Fayavar Hayati, 2025, 'Cambodia economic update: coping with shocks special focus-insights into the informal economy (English)', *Cambodia Economic Update*, World Bank Group.
Manet, Sum, 2025, 30 October, 'Cambodia prepares for more advanced industries in next growth phase', *Khmer Times*.
Meas, Molika, 2025, 17 February, 'Poverty gap in Cambodia continues to widen', *Kiripost*.
Mengdavid, Thong, 2025, 15 September, 'Emerging threat of colour revolution and Cambodia's response', *Khmer Times*.
Monica, Lisa, and Ramdhani Pratama, 2025, 18 December, 'Cambodia accuses Thailand of using poison gas in border conflict', *IDN Financials*.
Mu, Sochua, 2025, 10 July, 'Cambodia's citizenship bill is a dangerous weapon in a dictator's hands', *The Diplomat*.
Nguyen, Khac Giang, 2025, 9 July, 'Vietnam and Cambodia revamp economic partnership', *East Asia Forum*.
OEC (Observatory of Economic Complexity), 2025, *Rice in Cambodia*.
Office of the High Commissioner of Human Rights, 2025, 7 October, 'Cambodia: UN expert alarmed by disturbing human rights situation', Press Release.
Office of the High Commissioner of Human Rights, 2026, 'A "wicked problem" – seeking human rights-based solutions to trafficking into cyber-scam operations in South-East Asia', Thematic Report.
OPHI (Oxford Poverty and Human Development Initiative), 2025, 'Country Briefing 2025: Cambodia. Global MPI country briefing 2025: Cambodia (East Asia and the Pacific)'.
Peck, Grant, and Sopheng Cheang, 2025, 17 April, 'China's leader Xi Jinping holds talks in Cambodia to wrap up his 3-nation Southeast Asia tour', *AP World News*.
Prince Holding Group, 2025, 11 November, 'Statement on behalf of the Prince Group', Press Release.
Punreay, Hang, 2025, 13 May, 'Cambodia reaches over 95% of electricity coverage ahead of projections', *Khmer Times*.
Royal Government of Cambodia, 2024, 13 September, *Statement of the Ministry of Foreign Affairs and International Cooperation*, Royal Government of Cambodia, Ministry of Foreign Affairs and International Cooperation, Press Release.
Royal Government of Cambodia, 2025a, *Cambodia Climate Change Strategic Plan 2024-2033*.

Royal Government of Cambodia, 2025b, *Tourism statistics report, December 2025*, Royal Government of Cambodia, Ministry of Tourism.
Royal Government of Cambodia, 2025c, *The Strategic Plan for Teacher Education Reform 2024-2030*, Royal Government of Cambodia, Ministry of Youth, Education and Sport.
Royal Thai Government, 2025, 5 August, 'Labour Minister confirms no reports of abuse against Cambodian workers in Thailand, instructs all agencies to ensure equal treatment', Royal Thai Government Ministry of Labour, Press Release.
Royal Thai Government, 2025, 10 August, 'Thailand's responses under the anti-personnel mine ban convention (Ottawa Convention) to the landmine incidents involving Thai military personnel', Royal Thai Government Ministry of Foreign Affairs.
Sharp, Alexandra, 2025, 12 December, 'Thai parliament dissolves to head off no-confidence vote', *Foreign Policy World Brief*.
Siciliano, Giuseppina, Roberto Cantoni, Pichdara Lonn, Narith Por, Solany Kry, Chimmor Morn, and Ham Oudom, 2025, '"Leave no one behind". A power-capabilities-energy justice perspective on energy transition in remote rural communities in Cambodia', *World Development*, 185, pp. 106793.
Sims, Jacob, 2026, 11 February, 'Crackdown, chaos, or cover-up in Cambodia? *The Diplomat*.
Socialist Republic of Vietnam, 2025, 5 September, 'Vietnam and Cambodia push tourism cooperation to new heights', Socialist Republic of Vietnam, Ministry of Culture, Sports, and Tourism.
Sovann, Sreypich, 2025, 'Cambodia: Phnom Penh administration establishes anti-scam task force tasked with combating cyber-scams after reports of widespread scam operations', *Business and Human Rights Centre*.
Strangio, Sebastian, 2025, 28 July, 'The Roots of the Thailand-Cambodia Border Conflict', *The Diplomat*.
Strangio, Sebastian, 2025, 18 December, 'Thailand, Cambodia agree to deployment of ASEAN observers, Malaysian PM says', *The Diplomat*.
Thai PBS News, 2025, 17 December, 'Hun Sen says no Russian or foreign troops operating in Cambodia'.
The Strait Times, 2025, 26 September, 'Thailand to build 10km fence at border with Cambodia'.
The World Bank, 2025, 'Cambodia economic update: coping with shocks special focus: insights into the informal economy'.
Tower, Jason G., and Kristina Amerhauser, 2026, 'The fall of a cyber scam kingpin', *Global Initiative against Transnational Organized Crime*.
UNESCO World Heritage Centre, 2025a, 10 December, 'UNESCO urges protection of cultural heritage following armed clashes between Cambodia and Thailand'.
UNESCO World Heritage Centre, 2025b, 'The List: Cambodian Memorial Sites: From centres of repression to places of peace and reflection'.
United Nations Office on Drugs and Crime, 2025, April, 'Inflection point: global implications of scam centres, underground banking and illicit online marketplaces in Southeast Asia', Technical Note.
United States Institute of Peace, 2024, 'Transnational Crime in Southeast Asia: A growing threat to Global peace and security', USIP Senior Study Group Final Report.

Vibol, Torn, 2025, 27 January, 'Govt approves new law to counter denial of KR-era crimes', *Khmer Times*.
Walker, Tommy, 2025, 7 January, 'Former Cambodian MP shot dead in Bangkok', *VOA*.
Wen, Lok Jian, 2025, 11 December, 'Cambodia orders withdrawal of athletes from SEA Games in Thailand over safety fears', *Asia News Network*.
WFP, 2025, 20 November, 'Cambodia launches national roadmap to save lives with people-centred early warning systems'.
WHO, 2026, 'Public Health Situation Analysis – Cambodia-Thailand border conflict', *World Health Organisation Emergency Response Team*.
World Bank, 2026, *Global Economic Prospects 2026*.
Yonhap, 2025, 4 December, 'Korea lowers travel alerts for parts of Cambodia', *The Korea Times*.

Thailand 2025: A year of insecurity and transition

Paul Chambers

University of Oklahoma;
Institute of Southeast Asian Studies – Yusof Ishak Institute
Paul.W.Chambers-1@ou.edu

2025 began in Thailand with the Thaksin Shinawatra-influenced Pheu Thai party leading a coalition government headed by his daughter Paetongtarn. But in June, amidst growing border tensions with Cambodia, revelations of an audio clip between her and Cambodia's ex-Premier caused the judiciary to temporarily suspend Paetongtarn from office (while deciding whether she had violated ethics rules) and she was replaced by acting-PM Phumtham Wechayachai. In July Thailand's military engaged in violent border altercations with Cambodia. These frontier security problems gave the military a pretext to increasingly act independent of civilian control. In August the judiciary ruled that Paetongtarn had broken the law: she and her government were forced from office, replaced by Bhumjai Thai party leader Anutin Charnvirakul and his coalition. Though close to the military and monarch, Anutin was supported by the progressive People's Party because he promised to dissolve the Lower House in four months and support constitutional reform. Meanwhile, tensions increased along the Thai-Cambodian border, Anutin was criticized for mishandling a severe flooding fiasco, and reports emerged that Bhumjai Thai-aligned cabinet ministers had been involved with crime syndicates. The year ended with Thailand's economy still weak, Anutin dissolving the Lower House, and a new December Thai-Cambodian peace deal in place.

Keywords – Pheu Thai; Thaksin Shinawatra; Paetongtarn Shinawatra; Anutin Charnvirakul; Phumtham Wechayachai; General Phana Klaeoplodtuk; King Maha Vajiralongkorn; Thai-Cambodian relations; Thai-Myanmar relations; Thai-U.S. relations; Thai-China relations; Thailand economy.

1. *Introduction*

This essay chronologically examines the year 2025 in Thailand with regard to domestic politics, foreign relations and the economy. It argues that in 2025 elite suspicions of Pheu Thai combined with border security issues led the military to disregard civilian control while the archroyalist judiciary forced Pheu Thai from office. Meanwhile, by the end of 2025, Thailand was continuing a hedging policy between the United States and China, though increasingly tilting toward China. Following this Introduction (Section One), the essay is organized into seven sections. Section Two looks at the government under Paetongtarn Shinawatra during January-May. Sec-

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

tion Three investigates Thai-Cambodian relations and their effect on Thai civil-military relations until August 2025. Section Four scrutinizes the fall of the Pheu Thai-led government and its replacement with a Bhumjai Thai-led coalition. Section Five examines the Anutin Charnvirakul government until December 2025. Section Six looks at Thailand's relations with Myanmar, the United States, and China. Section Seven investigates Thailand's economy in 2025. Section Eight is the conclusion.

2. *The Paetongtarn government: January-May 2025*

Paetongtarn Shinawatra, Prime Minister since August 2024 (after her predecessor Pheu Thai's Settha Thavisin had been removed from office by the Constitutional Court) early on appeared as an inexperienced leader with her father Thaksin indirectly dominating the Pheu Thai-led coalition government [*Thai PBS World* 2024, 2 December].

In January 2025 her government implemented the second phase of a digital cash transfer scheme which was to provide payments to senior citizens by April. In this second phase, the government provided 10,000 baht per person to three million elderly persons. The entire digital wallet scheme had been one of Pheu Thai's promises during the 2023 election. Besides helping the poor, Pheu Thai had also stated that the intiative would inject funding to spark economic growth. However, significant post-2023 criticism from numerous economists and opposition political parties compelled the government to adjust the cash dispersal (*Thai PBS World* 2025, 17 February]. In May 2025 the government indefinitely postponed phase three of the digital wallet program until the economy improved but also because of pressures from increased tariffs of the US Trump administration on Thailand [Liang 2025, 26 May].

Also in January, the cabinet approved a bill to legalize casinos inside of entertainment complexes in Thailand as a tool to encourage tourism and boost the economy. A modified second draft was approved in March following advice from the Council of State. The bill then moved forward where it was expected to sail through votes in the Lower House and Senate, followed by an endorsement from the King. Yet the bill hit numerous delays. Ultimately, it was withdrawn in July at the request of the Finance Minister, following criticism and protests from social conservatives [*Thai PBS World* 2025, 8 July].

Early 2025 moreover saw Thailand deploy heightened anti-scam center operations along border areas with Myanmar and Cambodia – following pressure from China. Indeed, Thailand suspended electricity, fuel and the internet to Myanmar border areas in February 2025 to combat massive cyber scam centers, often run by Chinese syndicates, that were dam-

aging Thailand's image and economy, though some centers continued using generators [Olarn and Adkin 2025, 5 February]. Meanwhile, along the Thai-Cambodian border, over 100 Thais were arrested in a raid on scam centres in border regions there [Reuters 2025, 4 March].

Then, in May, plans were laid to restrict cannibus production – though coalition member Bhumjai Thai had championed cannibus since 2019. Indeed, the action seemed directed at Bhumjai Thai, which had recently seemed to be criticizing coalition leader Pheu Thai.

Thus, by late June 2025, Thailand engaged in a significant regulatory shift, transitioning from a loosely regulated framework to a strictly medical model. This reform impacted every part of the cannabis supply chain – from cultivation to retail [Cannavigia.com 2025, 25 September].

3. *Thai-Cambodian relations and the Thai military: January-August 2025*

Though post-Cold War Thai-Cambodian relations might be characterized as at times edgy amidst a more general state of peace, in 2025, the two countries engaged in violent border hostilities and almost entered into war. One would have thought that peace would have been preserved given longtime close ties between Thaksin and Cambodian's ex-Premier Hun Sen. But by early 2025 the two were increasingly on the outs. It has been speculated that this perhaps owed to the Paetongtarn government's decision to support legalized gambling, which allegedly threatened Cambodia's own casino industry or Thailand's intense crackdown on scam centres located along the Thai-Cambodian border: profits from such centres have been funnelled to Hun Sen's Cambodian People's Party. Yet another possibility is that Hun Sen might have felt that Thaksin had lost influence in Thailand and it was time to drum up Cambodian nationalism [Head 2025, 24 July; Jackson 2024, 13 September]. Whatever the truth regarding their split, it played into the hands of the Thai military which, since the 2023 election had been seeking to repopularize its image and emancipate itself from civilian control.

Late 2024 had already witnessed Thailand and Cambodia disputing their marine border line and the sovereignty of Koh Kood island. Then, in February 2025, a group of Cambodians appeared at an ancient Khmer temple administered by Thailand along the vaguely demarcated boundary and sang nationalist songs. Instead of consulting the government for direction, Thai Second Army Region Commander Lieutenant-General Boonsin Padklang launched a formal protest against the event [The Nation 2025, 17 February]. General Boonsin is close to Army Commander General Pana Klaeoplodtuk [Matichon 2025, 4 February].

Then, on 28 May, following a Thai-Cambodian border skirmish that killed a Cambodian soldier, Paetongtarn immediately urged calm and

de-escalation [Pimuk 2025]. But on 3 June, General Boonsin broke ranks with his prime minister and further undermined civilian control. He announced that he would only recognize a Royal Thai Survey Department border map (which is more favourable to Thailand) [Facebook Nation Story 2025, 3 June] and not the one used by the Thai-Cambodia Joint Boundary Commission.

On 5 June, the Thai Army defied the government's de-escalation attempts by launching a militaristic rhetoric dissemination campaign, entitled «Thais are peace-loving but not cowards when at war» [Thai PBS 2025, 6 June]. The media campaign appeared designed to encourage public support for the military, so that it would have a freer rein in its actions against Cambodia.

The next day, Paetongtarn held a National Security Council meeting, afterwards stating, «The military has confirmed readiness for any scenario … but clashes will cause damage, so we will pursue peaceful means (adding that) the government and military (will) work together» [Juarawee and Panu, 2025, 6 June]. At any rate, Paetongtarn's entreaties appeared to fall on deaf ears, with the Army's subsequent announcement of upping readiness «for a high-level military» [Ibid.].

Civilian control was again thwarted on 7 June when Thailand's army began limiting the opening times of several Thai-Cambodian border posts [Visapra 2025, 7 June]. Amidst the army's growing assertiveness, Paetongtarn reaffirmed her peace and dialogue commitment between Thailand and Cambodia [VOV5, 2025, 17 June].

Then, on 15 June, she engaged in a phone conversation with Hun Sen. The call, which was recorded by the Cambodian government, revealed increasing difficulties in Thai civil-military relations. She told Hun Sen, referring to him as «Uncle», that «people from the opposite side» such as General Boonsin might have made comments that might make Hun Sen «angry», but stressed that the Thai general wanted to «look cool». Paetongarn told Hun Sen that all she wanted was «peace» [Plewissara 2025, 22 June].

Paetongtarn's comments were considered traitorous by Thai military and right-wing elements [The Nation 2025, 29 June]. Before the clip was revealed, a royal entourage (including a Privy Councillor) delivered gifts to border-based Thai soldiers and met with General Boonsin in mid-June [The Nation 2025, 15 June]. The message seemed clear: the palace supported the military hard line rather than civilian control. On 18 June, the Bhumjaithai Party resigned from the coalition. Regarding the phone call, on 1 July, the powerful and interventionist Constitutional Court, which had often interceded in Thailand's political process, ousting the pro-Thaksin Prime Minister, now opened an ethics investigation of Paetongtarn, temporarily forcing her from office until it made a decision. She was replaced tempo-

rarily by Pheu Thai caretaker Prime Minister Phumtham Wechayachai, who was close to Thaksin.

Thailand's military, riding a wave of anti-Cambodian nationalism, had now shaken off any civilian controls. When Thai soldiers were injured by landmines along the border on 16 July, General Boonsin threatened military retaliation, stating, «There is no need to wait for orders from the government». Army Commander Pana supported General Boonsin, stating that the current state of play justified retaliation [*Thai PBS World* 2025, 19 July]. After five more soldiers were injured by mines on 23 July, General Boonsin ordered further closures of border crossings [*The Nation*, 2025, 7 July]. For Thailand, the July 23 landmine injuries and Cambodia's firing of rockets into Thai civilian areas triggered a sustained frontier conflict. Cambodia, on the other hand, alleged that the prolonged borderlands combat had begun after Thai soldiers fired at Cambodian soldiers at a temple claimed by both countries [Nierenberg and Wee 2025, 30 July]. Each side claimed to possess evidence supporting its opposing nationalistic narrative about the other. Regardless, on 24 July, hostilities erupted and Thailand's army proactively assumed effective control over directing the conflict for Thailand, while civilian leaders became passive. Thereupon Army Commander Pana readied a war plan against Cambodia [PPTV 2025, 23 July] and, on 25 July, the Thai army instituted martial law in parts of Chanthaburi and Trat provinces [Thai PBS 2025, 25 July]. Though civilians negotiated a 28 July ceasefire [Al Jazeera 2025, 29 July], gunfire only ceased following a meeting of Thai and Cambodian senior military on 29 July [*Associated Press* 2025, 29 July]. Clearly, this meant that the Thai military must give its approval before any ceasefire would hold. And even that armistice proved to be flimsy. By August Thailand and Cambodia remained in a very tenuous ceasefire.

4. *Enter new Prime Minister Anutin*

On August 29, the Constitutional Court ruled 6-3 that Paetongtarn in her controversial phone call had violated ethics rules and she was officially removed from office. The court added that she «lacks the qualifications and possesses prohibited characteristics» under the Thai constitution, and «lacked demonstrable honesty and integrity, and seriously violated or failed to comply with ethical standards» [Regan and Olarn 2025, 29 August]. Though she served as Prime Minister for approximately one year, the ruling made her ineligible to ever serve as Prime Minister again [Wee 2025, 28 August]. Indeed, the ruling demonstrated the enormous power of Thailand's arch royalist judiciary.

Table 1 Parties/Factions/Defectors in the Anutin Charnvirakul Coalition	
Parties	Members of Parliament
Bhumjai Thai	68
Kla Tham	31
Palang Pracharat	17
United Thai Nation (Suchart Chomklin faction)	16
Pheu Thai defectors	8
Thai Sang Thai	3
Democrat defectors	3
Chart Thai Pattana	10
Fair Party	1
Total	157
People's Party (pledged support)	143
Source: *Bangkok Post*, 23 November 2025; author's calculations	

Pheu Thai immediately tried to install Chaikasem Nitisiri, its sole remaining prime ministerial candidate (the 2017 Thai constitution requires all parties to name such candidates prior to a general election), but he was defeated by Bhumjai Thai party leader Anutin Charnvirakul: Chaikasem received 152 votes, Anutin 311 votes [*Al Jazeera* 2025, 5 September]. Anutin's victory owed to his ability to cobble together multiple small parties, factions, and Pheu Thai defectors, as well as secure backing from the 153-MP Progressive Party, the largest political party. Over time, the number of MPs in Anutin's coalition came to 157 (see Table 1). Still, this number is fluid as Anutin continues to try and attract more MPs to his side. The Progressive Party refused to join Anutin's coalition, but conditioned its support on a promise by Anutin to dissolve the Lower House in four months and also begin the process of redrafting a new constitution [*The Nation* 2025, 2 September]. The decision, controversial even within the Progressive Party, would return to haunt the party in December when Anutin prevented the referendum reform the former had expected. Left in the Opposition was Thaksin's Pheu Thai with 140 MPs.

Meanwhile, just after Anutin's 5 September elevation as Prime Minister, Thailand's Supreme Court, on 8 September, ruled that Thaksin had not properly served a previous prison sentence and must be imprisoned for one year. Thereupon, the following day, he began serving his sentence (Ratcliffe 2025, 9 September). The ruling partly besmirched Thaksin's political name and also meant that he would not be able to directly involve himself in the 2026 general election.

5. *Anutin as prime minister: September-December 2025*

Born into a wealthy Sino-Thai business family and entering politics in the 1990s, Anutin had earlier served under Thaksin before becoming leader of centrist-conservative Bhumjai in 2012 [Reuters 5 September 2025]. Anutin entered the prime ministership with support from different ideological sides. He was backed by the progressive People's Party because of his promises of fast-paced constitutional reform and the People's Party's greater distrust of Pheu Thai. This was despite his ties to the palace and military, characteristics which appealed to conservatives.

Regarding the palace, Anutin had already long been a «close associate of Thailand's current king» [Wikileaks 2009, 23 November], and, upon the 24 October death of Queen Mother Sirikit, Anutin became the head of her year-long funeral mourning committee [Bangkok Post 2025, 25 October].

As for the military, unlike his predecessor Paetongtarn, Anutin enjoyed a harmonious relationship after taking office. Indeed, with the military eagerly cheering on, Anutin "greenlighted" the army's control over all Thai-Cambodian border issues [*Thai PBS World* 2025, 29 September]. He also directed the Army-led Internal Security Operations Command to combat transnational crime and scam-centers [Bangkok Post 2025b, 4 December]. Finally, he allowed the army a «free hand» over counterinsurgency policy in Thailand's Deep South [Pathan 2025, 28 October].

Finally, Anutin was backed by combination of 1) conservative technocrats; 2) retired military officials; and 3) several regional political strongmen who saw support for him as a way to accrue more wealth and/or political clout. From these three groups he assembled a cabinet [Thitinan 2025, 25 September].

Throughout Anutin's first months in office, the People's Party seemed to be moving forward successfully with its quest for charter changes, to which Anutin continued to give his backing. In October, parliament passed the first reading of the People's Party-favored constitutional amendments [*Thai PBS World* 2025, 16 October] and it appeared that this most progressive version would be passed in all three required readings by December.

However, the new government was immediately confronted with various challenges. Specifically, Anutin began to encounter negative popularity regarding Cambodia, flooding and corruption.

Regarding Cambodia, despite a formal peace declaration in late October, Thai soldiers had continued to be injured by land mines placed by Cambodia along the frontier. Cambodian land mines had been an issue for Thailand's border-based troops since July. Because of this, Anutin, in November, announced that Thailand no longer observed any peace accord with Cambodia [*The Nation* 2025, 12 September]. The US then pressured Anutin, threatening higher tariffs, and Anutin softened his stance [*Thai PBS World* 2025, 26 November]. He was then criticized by moderates for earlier

threatening to relocate Thai exports away from the US market and then later by ultra-nationalists for caving in to Washington. By December, intense fighting between Thailand and Cambodia along their border had started again. Though a precarious peace deal was negotiated on December 27, the situation was still tense in January 2026 (Supalak 2026, 7 January].

Meanwhile, Thailand was hit by massive flooding in November, with greatest damage centered upon Had Yai city in the South, but also in central and some northern provinces. The government's slow reaction to it was followed by a Suan Dusit poll showing slippage in popular support for Anutin from 48% to 23%, ominous political news for Bhumjai Thai given Anutin's promised early election expected in March or April 2026 [Panarat et al. 2025, 1 December].

Finally, in October-November, reports surfaced that some of Anutin's cabinet ministers were themselves linked to cyber-crimes and scam centers – which the government claimed to be cracking down on [*Thai Enquirer* 2025, 30 October]. The Prince Group, a cyber-criminal network, had even rented office space from Anutin's family [*The Nation* 2025a, 17 October] while a photograph was discovered of Anutin with Benjamin Mauerberger, a money launderer and the point man of several such criminal networks [*Bangkok Post* 2025a, 4 December]. Based on these revelations, Pheu Thai promised to file an ethics complaint and a censure motion against the government when it reconvened sometime in December [Jiji Press 2025, 7 December]. But Pheu Thai stated that it would first wait for the parliamentary votes to launch the activation of a new constitutional drafting committee.

6. *Relations with Myanmar, China, and the United States*

Though relations with Cambodia were Thailand's preeminent foreign relations issue in 2025, relations with other countries were also important. Most significant were ties with Myanmar, China, and the United States. These are examined below.

In 2025, Thai-Myanmar relations specifically focused upon border issues, economic interests, and Thailand's support for Myanmar's 2025 election, as well as continuing rosy relations between the Myanmar and Thai militaries. In terms of border issues, scam compounds, crypto fraud hubs, and cyber-slavery operations became the focus of attention. In February, under pressure from China, Thailand cut electricity supplies to frontier areas which were the sites of the scam industry [Olarn and Adkin 2025, 5 February]. By November, Myanmar's troops were raiding and cracking down on the scam centers, though evidence showed that the raids were mostly just for show given that only a small area of the compounds were actually destroyed [Wee 2025, 28 November]. In addition, since the 2021 Myanmar coup, Thailand has continued to facilitate the

forced pushback of Burmese war refugees back to Mynmar [*Fortify Rights* 2025, 17 May].

Thailand has significant interests in Myanmar. Indeed, Thailand is the third largest foreign invester in Myanmar. In 2024, Thailand's PTT became the largest shareholder (63.0 per cent) in Myanmar's Yadana natural gas project. Other Thai ventures in Myanmar include Northern Gulf Petroleum, Osotspa Glass, CP, Siam Cement, ThaiBev, Boonrawd, Bangkok Bank, and Siam Commercial Bank [Chambers and Chotisut 2024]. Meanwhile, in August 2024, Thailand offered assistance, including potentially financial or technical support, to Myanmar's military junta for its controversial population census in preparation for planned elections at the end of 2025 [*The Irrawaddy* 2025, 8 August]. Finally, though Thailand's elected civilian government continuously cautioned the post-2021 Burmese government to move toward democracy, Thailand's military has long maintained close, pragmatic, and often surreptitious linkages built upon personal and economic ties. Indeed, leading officers from each country often hold regular meetings, fostering military-to-military bonds [Radio Free Asia 2023, 19 January].

Regarding Thai-China relations in 2025, they must be seen through the prism of a balance of power politics. This is because Thailand has, since at least 2001, sought to follow a realist hedging policy toward China and the United States in which Bangkok seeks to create equilibrium in its ties with both Beijing and Washington.

The relationship in 2025 marked 50 years since the establishment of diplomatic relations in 1975. It was dubbed the Golden Jubilee of Thailand-China Friendship [Zhang 2025, 13 November]. As part of this event, then-Prime Minister Paetongtarn visited Beijing in February, an event which paralleled the signing of 14 Memorandums of Understanding in areas such as digital economy, artificial intelligence, space technology, green energy, and agriculture. This was followed by a Thailand-China Cooperation Expo in September, and the initiation of a new Five-Year (2025-2031) Trade and Economic Cooperation Plan. The two countries also stepped up collaboration against transnational crime such as illegal call centres based along the Thai-Myanmar border [*Khaosod* 2025, 28 January]. In November, Thailand's King Maha Vajiralongkorn visisted Beijing [*Al Jazeera* 2025, 14 November].

Also in 2025, joint military exercises continued between the armies, navies, and air forces of Thailand and China. These exercises included the annual «Falcon Strike 2025» (air forces), in September and the annual «Blue Strike 2025» (navies), in March-April [*Global Defense News* 2025, 17 September]. Regarding the annual «Strike Series» armies exercise, it had still not been held as of December. Such defense diplomacy marked a pivotal growth in relations between the two countries. Thailand has also increased its purchases of Chinese military hardware. Indeed, Thailand's cabinet finalized

the purchase of a Yuan Class S26T submarine from China using Chinese engines in August [*Khaosod* 2025, 5 August].

Moreover, Chinese economic activity in Thailand surged in 2025. In November, China ranked fourth in terms of investments in Thailand, with 116 businesses (13%) and investment totalling THB 25.404 billion. Hong Kong, under Beijing's control, ranked fifth, with 93 businesses (11%) and THB 13.198 billion [*The Nation* 2025, 30 November]. Meanwhile China has been Thailand's number one trading partner since 2013 [*The Nation* 2025b, 17 October]. Finally China is a leading provider of economic assistance to Thailand, mostly via the former's Belt and Road Initiative program, though since 2021 Thailand has begun to reduce its reliance on Beijing [Lowy Institute 2025].

Finally, the 2025 Thai-Cambodian imbroglio affected Thai relations with China. This is because the hostilities reflected two China «friends» at odds against each other, producing heightened Chinese efforts in December to seek a ceasefire.

As for Thai-US relations, Bangkok, once a very close Cold War ally of Washington, after 2001, slightly distanced itself from Washington as part of its aforementioned realist hedging strategy of creating a balance between the US and China. However, in 2025, except for security ties, there was a souring of US-Thai relations.

Thai-US security relations seemed generally amicable in 2025 with the Trump administration pushing for defense deals. The US is ahead of other countries (including China) in joint exercises with Thailand. Indeed, though Thailand is involved in joint military drills with other countries, the US remains its principal partner because Washington can provide larger-scale and more complex exercise scenarios, which appeal to senior Thai military officers. Still, China is catching up rapidly [Soto and Rahman 2023, 2 December]. In 2025, principal Thai-US exercises included Operation Cobra Gold in March (involving troops from 30 countries), Hanuman Guardian, an army exercise also held in March, Cooperation Afloat Readiness and Training, a Navy exercise held in July, COPE Tiger (including Singapore) held in March, and Enduring Partners, an Army exercise held in August [Facebook Royal Thai Government 2025]. Meanwhile the Trump administration has cut most funding for military education of foreign troops, including for Thai soldiers/officers [Rand 2025, 28 January]. Finally, though Thailand has continued to purchase some US military hardware, US military assistance to Thailand in the form of Foreign Military Financing (FMF) has diminished since 2023 [*USA Facts* 2024].

As for Thai-US economic relations, the United States ranked second in terms of investments in Thailand with 127 businesses (15%) and an investment of THB 4.83 billion [*The Nation* 2025, 30 November]. Washington has also been a leading provider of economic assistance to Thailand. Meanwhile, in 2025, the US is Thailand's second largest trading partner

after China. Still, trade became a source of Thai-US friction in 2025. The US trade deficit with Thailand was estimated at US$ 45.6 billion in 2024 as the US was Thailand's largest export market in that year, representing 18.3 per cent of shipments [*Reuters* 2025, 28 July]. The Trump administration saw Thailand as benefiting from low US import tariffs while engaging in unfair trade practices. Thus, in April, Trump announced an initial tariff rate of 36 per cent on Thailand before negotiating that down to 19 per cent on 1 August.

When fighting broke out between Thailand and Cambodia in July, Washington played a major role (along with Malaysia and China) in bringing the two sides to the table to negotiate a 28 July ceasefire. Hours after the truce, Trump claimed to have brokered it:

> I said to Thailand, «We're doing a trading deal and I'm not going to do a deal if you're going to be killing each other», and I spoke to Cambodia and said essentially the same thing … Within less than a day, we had it settled [*Financial Express* 2025, 29 July].

Hun Sen's son, Prime Minister Hun Manet, thereupon nominated Trump for a Nobel Peace Prize [de Guzman 2025, 11 August], to which the White House spokesperson enthusiastically agreed (Trump did not end up receiving one). An enhanced ceasefire agreement was signed between the two countries (following US pressure) on 26 October. However in November, as fighting between the two countries flared up again and Prime Minister Anutin threatened to walk away from the agreement, Trump threatened to halt trade talks with Thailand if Bangkok did so [Holmes 2025, 15 November]. However, fighting between the two countries intensified anyway.

Finally, human rights proved to be a significant part of Thai-US relations in 2025. This may have surprised the Thai government because it might have assumed that Trump prioritized only business. However, Trump's concern for human rights appeared to be a function of whether the issue related to China – a geopolitical rival, unless the human rights victim was American.

Washington's concerns were seen most clearly following the Paetongtarn administration's 27 February deportation of 40 Uyghurs to China despite warnings that they could face torture or death back home. Thailand had detained them for 10 years in a Bangkok detention center. Even though Canada and the US had offered to resettle all 43 ethnic Uyghurs held in detention in Thailand, Bangkok feared infuriating China [*The Guardian* 2025, 5 March]. The Trump administration immediately denounced the Thai government [Kunnawut and Pimuk 2025, 27 February]. Washington also refused to issue any future visas to any Thai officials who had been involved in the Uyghur return, including government ministers [Wee 2025, 15 March].

A second human-rights-related bone-of-contention between Thailand and the US was the detention of Thailand-based academic Paul Chambers

(author of this article). On 30 March, a regional sub-commander of Thailand's army charged Chambers with violating Section 112 (lèse majesté) of Thailand's Criminal Code and the Computer Crimes Act. On 8 April, when Thai authorities imprisoned Chambers, Washington publicly expressed «alarm» and stated that it was closely monitoring the situation [United States Department of State 2025, 8 April]. He was released from prison on bail late the following evening but was forced to wear an electronic ankle bracelet. According to anonymous Thai and US sources, the tariff talks (which were soon to be negotiated) gave the United States added weight vis-à-vis Thailand regarding the Chambers case. This resulted in charges being dropped against him in late May and his hurried departure from Thailand on 29 May [Faulder 2025, 11 June]. Though the Trump administration stated that the Chambers case «highlighted [its] longstanding concerns about the use of lèse majesté laws in Thailand» [United States Department of State 2025, 8 April], other than the Chambers case, the Trump administration has said little about Thailand's lèse majesté law, which carries a penalty of up to 15 years in prison per charge. Nor has it mentioned Thailand's repressive Strategic Lawsuits against Public Participation (SLAPPs).

Tariffs, the breakdown of a Thai-Cambodia peace accord, Thailand's return of the Uyghur to China, and the Chambers case created perhaps temporary discord in the Thai-US relationship in 2025. Nevertheless, economic and security ties remained strong. Relations with China in terms of security and economic relations were also robust. As such, one could argue that the varied problems in US-Thai relations in 2025 strengthened those Thais who continued to call for a hedging relationship with China and the US, given that both superpowers could exert pressure, and already overshadowed Bangkok. As for Thailand's foreign policy toward Cambodia and Myanmar, Thailand (especially Thailand's military) in 2025 was increasingly unwilling to follow the preferences of the US or China, implementing instead policies which it felt best served Thai national interests.

7. *Thailand's economy in 2025*

At the beginning of 2025, indicators suggested that economic performance in Thailand would be positive. In fact, the economy was expected to grow at an optimistic 3-3.5 percent [Kitipong and Orathai 2025, 27 January]. But by the end of the year the country was still stuck in economic malaise.

Both internal and external factors created problems for the economy. First, household debt had risen to a four-year high – close to a 90 percent ratio. This debt was driven by consumption loans (from credit card debt, personal loans, loan shark loans, and lack of savings), exacerbated by stagnant incomes [Phusadee 2025, 25 September]. Second, increased US tariffs on Thai goods (though these were reduced from the initial 36 percent

to 19 percent) shocked the economy [Head 2025, 31 July]. Third, a drop in foreign tourist arrivals diminished the amount of hard currency for the Thai economy. According to Thailand's Ministry of Tourism and Sports, in December 2025, foreign tourist arrivals reached a total of 30,273,872 foreign visitors. However, this cumulative figure represented a 7.19 percent decrease compared to the same period the previous year [*The Nation* 2025, 9 December]. Fourth, sustained Thai-Cambodian border hostilities created a near total collapse of Thai-Cambodian border trade, extreme labor shortages (especially of Cambodian workers), and negative effects on tourism and investor confidence [*Bangkok Post* 2025, 14 November]. Fifth, the sudden change in government in Thailand in September intensified uncertainty [International Monetary Fund 2025, 13 November].

One bit of bright economic news was inflation. In October, Thailand's inflation rate had dipped by 0.76 percent and the government targeted a 0 percent inflation rate for the year. The rate represented the seventh consecutive month of inflation decline, sixth lowest among 140 countries and lowest in ASEAN [*The Nation* 2025, 5 November]. Also, unemployment decreased from 0.88 percent in 2024 to 0.76 percent in 2025 [*The Nation* 2025, 16 November].

Yet positive indicators were few. According to the International Monetary Fund, despite the expected economic expansion rate of over 3 percent in Thailand at the beginning of 2025, economic growth was now projected to slow to 2.1 and 1.6 percent in late 2025 and 2026 [International Monetary Fund 2025, 13 November]. Already, by late 2025, Thailand's economy demonstrated that it was still in a dismal state. Indeed, the economy had contracted by 0.6 percent in the third quarter of 2025 from the previous quarter, with growth slowing to 1.2 percent year-on-year from 2.8 percent in the second quarter [*The Nation* 2025, 16 November].

Finally, despite any indicators of economic progress in Thailand, poverty is continuing to grow there. According to the World Inequality Report 2026, «inequality [is] continuing to intensify [with] the income gap between the top 10 percent and the bottom 50 percent widen[ing] between 2014 and 2024, indicating growing disparities» [UNDP 2025, 193]. 2014 is significant as the year of the most recent military coup which put an end to many welfare programs of the previous government.

8. *Conclusion*

In sum, Thailand, a façade democracy overshadowed by monarchy and military, encountered insecurity and transition in 2025. Regarding insecurity, Thailand became embroiled in war with Cambodia. A brief border clash in July, it had mushroomed into a prolonged border conflict by December. In terms of transition, the country was led by the Thaksin-dominated Pheu

Thai at the beginning of the year only to be replaced by a conservative, Bhumjai Thai-led government in September. A Lower House dissolution had been expected in late January 2026.

Regarding international relations, Thailand sought to balance off China against the United States in a realist hedging foreign policy in order to best achieve Thailand's national interests. However, the Trump administration's high tariff policy toward Thailand damaged Thai-US relations. Also, when the United States pressured Thailand into a peace accord with Cambodia in July and when Thailand backed away from that ceasefire in October, Washington threatened higher tariffs. Finally, Thailand's deportation of Uyghur refugees to China and detention of a US academic deeply disappointed Washington. As a result, Thai-US relations soured in 2025. Meanwhile, following the end of the Chambers case, Thailand's international human rights reputation did not improve: on September 29, Thai police arrested Australian journalist and academic Murray Hunter on charges of criminal defamation – defaming the Malaysian government because Hunter had written media articles about alleged corruption in the Malaysian government. Hunter was briefly imprisoned and his trial began in December. A conviction could mean eight years for Hunter in a Thai prison as well as a fine of 800,000 baht [EU See 2025, 3 December]. The cases of Chambers and Hunter demonstrate that Thailand in 2025 is willing to instill harsh punishments against anyone, including foreigners, who might seek to enlighten the world about state authoritarianism and impunity within Thailand as well as in its allies abroad.

On December 11, during a vote on the second reading of the People's Party amendment to call a drafting committee for a new constitution, Bhumjai Thai suddenly refused to go along with a promise it had made to the People's Party to allow a new charter to be considered with only 51 per cent of the combined House-Senate vote. Bhumjai Thai now declared that the bill must pass scrutiny of one-third of the Senate (Bhumjai Thai controls at least half of the Senators) before it could be put to a referendum [*The Nation* 2025, 11 December]. As such, the People's Party moved for a no-confidence vote against Anutin that was certain to pass given that a majority of MPs belonging to either the People's Party or Pheu Thai were sure to support it. Before the vote could occur, however, Anutin, on 12 December, suddenly and unexpectedly (he had earlier said he would dissolve parliament in January 2026) dissolved the Lower House and called for a new general election. The election was ultimately held on 8 February, 2026 [*Al Jazeera* 2025, 11 December].

By the very end of 2025, the insecurity and transition which had begun to intensify six months previously had morphed into outright instability for Thailand. Indeed, the country's border skirmishes with Cambodia had moved closer to an outright war. At the same time, the Anutin administration had become only a caretaker government existing in preparation for an

election. The situation paved the way for the military to take a greater role in leading the country. As a result, authoritarianism looked likely to grow, relations with neighbours (and even great powers) seemed on the verge of becoming increasingly chaotic, and the country appeared headed for worsening economic times. At the dawn of 2026, amidst Thailand's sideshow of faux democracy, the country continues to be dominated by vested elites, an arch royalist military, and a conservative judiciary, all oscillating around monarchy. Such a situation represents a difficult obstacle for Thais seeking greater democracy in the future.

Bibliography

Al Jazeera, 2025, 29 July, 'Thailand Accuses Cambodia of Ceasefire violations but Ceasefire Still Holding', https://www.aljazeera.com/news/2025/7/29/thai-army-accuses-cambodia-of-ceasefire-violations#

Al Jazeera, 2025, 5 September, 'Thai Parliament Elects Anutin Charnvirakul as Prime Minister', https://www.aljazeera.com/news/2025/9/5/thai-parliament-elects-anutin-charnvirakul-as-prime-minister-2#

Al Jazeera, 2025, 14 November, 'Xi Jinping Pledges Deeper Ties During Thai King's First China Visit', https://www.aljazeera.com/news/2025/11/14/xi-jinping-pledges-deeper-ties-during-thai-kings-first-china-visit

Al Jazeera, 2025, 11 December, 'Thailand PM Moves to Dissolve Parliament, Paving Way for Election', https://www.aljazeera.com/news/2025/12/11/thailand-pm-moves-to-dissolve-parliament-paving-way-for-election

Associated Press, 29 July, 'Thailand and Cambodia Ceasefire Holds Despite Reports of Skirmishes', https://apnews.com/article/thailand-cambodia-border-clash-ceasefire-36da6c2ba1a1c33a16ca6ddf1cb82bda

Bangkok Post, 2025, 25 October, 'National Mourning Periods Announced', https://www.bangkokpost.com/thailand/general/3126280/national-mourning-periods-announced.

Bangkok Post, 2025, 14 November, 'Economic Warning as Thai and Cambodian Troops Clash', https://www.bangkokpost.com/business/general/3136941/economic-warning-as-thai-and-cambodian-troops-clash

Bangkok Post, 2025, 23 November, 'PM Anutin's Bhumjai Thai Welcomes 14 MPs from other Parties', https://www.bangkokpost.com/thailand/politics/3142860/pm-anutins-bhumjaithai-welcomes-14-mps-from-other-parties

Bangkok Post, 2025a, 4 December, 'Old «Ben Smith» Photos Come Back to Haunt Thai VIPs', https://www.bangkokpost.com/thailand/general/3150070/0ld-ben-smith-photos-come-back-to-haunt-thai-vips.

Bangkok Post, 2025b, 4 December, 'PM Directs Security Body to Step Up Scam Fight', https://www.bangkokpost.com/thailand/general/3149670/pm-directs-security-body-to-step-up-scam-fight.

Cannavigia.com, 2025, 'Thailand's Medical-Only Cannabis Shift: What It Means for Cultivators and Dispensaries in 2025', https://www.cannavigia.com/blog-posts/

thailands-medical-only-cannabis-shift-what-it-means-for-cultivators-and-dispensaries-in-2025

Chambers, Paul, and Kridsana Chotisut, 2024, 'Neighbour to Civil War: Thailand's Relations with Myanmar in 2024', ISEAS Fulcrum, https://fulcrum.sg/neighbour-to-civil-war-thailands-relations-with-myanmar-in-2024/

de Guzman, Chad, 2025, 11 August, 'Cambodia Nominated Trump for a Nobel: It Has its Eyes on Another Prize', *Time Magazine*, August 11, 2025, https://time.com/7308770/cambodia-us-relations-trump-hun-manet-nobel-peace-prize-nomination/

EU See, 2025, 3 December, 'Australian Journalist Faces up to Eight Years in Prison in a Transnational SLAPP Case in Thailand for Reporting on the Malaysian Government', https://eusee.hivos.org/alert/australian-journalist-faces-up-to-8-years-in-prison-in-a-transnational-slapp-case-in-thailand-for-reporting-on-the-malaysian-government/

Facebook Nation Story, 2025, 3 June, แม่ทัพภาคที่ 2 ยืนยันเป็นหน้าที่กองทัพปกป้องอธิปไตย ยึดเส้นเขตแดนแผนที่ 1:50,000 ลัน' [The Second Army Commander confirmed that it is the army's duty to protect sovereignty and adhere to the 1:50,000 scale border line], https://www.instagram.com/reel/DKcMe7IBvUZ/

Facebook Royal Thai Government, 2025, 'Royal Thai Armed Forces Joint Exercises in 2025', https://www.facebook.com/groups/755356672026696/posts/1855716668657352/

Faulder, Dominic, 2025, 11 June, 'Deported US Academic Paul Chambers Fears Return to Thailand', Nikkei Asia, https://asia.nikkei.com/politics/turbulent-thailand/deported-us-academic-paul-chambers-fears-return-to-thailand

Financial Express, 2025, 29 July, '«President of peace»: Trump claims he ended Cambodia-Thailand conflict «within less than a day»', https://www.financialexpress.com/world-news/president-of-peace-trump-claims-he-ended-cambodia-thailand-conflict-within-less-than-a-daynbsp/3929939/

Fortify Rights, 2025, 17 May, 'Thailand: Prevent Forced Returns of Myanmar Refugees, Provide Legal Status', https://www.fortifyrights.org/tha-inv-2024-05-17/#:~:text=Returns%20of%20Myanmar%20Refugees%2C%20Provide%20Legal%20Status.

Global Defense News, 2025, 17 September, 'China and Thailand deepen military ties with Falcon Strike 2025 joint air force exercise', https://armyrecognition.com/news/aerospace-news/2025/china-and-thailand-deepen-military-ties-with-falcon-strike-2025-joint-air-force-exercise

Government of Thailand, 2025, 7 September, 'นายกรัฐมนตรีคนที่ 32 [Prime Minister Number 32] https://www.thaigov.go.th/th/cabinet/prime-minister#:~:text=นายกรัฐมนตรีคนที่%2032.

Head, Jonathan, 2025, 24 July, 'The fractured friendship behind the fight at the Thailand-Cambodia border', BBC, https://www.bbc.com/news/articles/cvg1gdgy2pyo

Head, Jonathan, 2025, 31 July, 'Shock, chaos and a hollow win: What it's like to do a tariff deal with Trump', https://www.bbc.com/news/articles/cger99z0yp9o

Holmes, Oliver, 2025, 15 November, 'Trump pressures Thailand to recommit to Cambodia ceasefire with 'threat of tariffs' *The Guardian*, https://www.theguardian.com/world/2025/nov/15/us-pressures-thailand-to-recommit-to-cambodia-ceasefire-with-threat-of-tariffs

International Monetary Fund, 2025, 13 November, 'IMF Staff Completes 2025 Article IV Mission to Thailand', https://www.imf.org/en/news/articles/2025/11/13/pr25367-thailand-imf-staff-completes-2025-article-iv-mission

Jackson, Will, 2025, 13 September, 'US Sanctions Powerful Cambodian Tycoon Over Alleged Human Rights Abuses in Scam Operations', *ABC News*, https://www.abc.net.au/news/2024-09-13/us-sanctions-ly-yong-phat-human-rights-abuses-online-scams/104348430

Jiji Press, 2025, 7 December, 'Pheu Thai to File Ethical Complaint against Anutin and Ministers', https://jen.jiji.com/jc/eng_agt?g=nation&k=20251207NATION-40059352

Juarawee Kittisilpa, and Panu Wongcha-um, 2025, 6 June, 'Thai Military prepared high-level operation if Cambodia border row escalates', *Reuters*, https://www.reuters.com/world/asia-pacific/thai-military-prepared-high-level-operation-if-cambodia-border-row-escalates-2025-06-06/

Khaosod, 2025, 28 January, 'Thailand, China Intensify Cooperation to Combat Scam Networks', https://www.khaosodenglish.com/featured/2025/01/28/thailand-china-intensify-cooperation-to-combat-scam-networks/

Khaosod, 2025, 5 August, 'Thailand Approves Major Military Purchases Amid Regional Tensions', https://www.khaosodenglish.com/politics/2025/08/05/thailand-approves-major-military-purchases-amid-regional-tensions/

Kitipong Thaichareon, and Orathai Sriring, 2025, 27 January, 'Thailand sees economy growing up to 3.5% this year on stimulus, foreign investment', *Reuters*, https://www.reuters.com/markets/asia/thai-economy-grow-more-than-3-this-year-finance-minister-says-2025-01-27/

Kunnawut Booonreak, and Pimuk Rakkanam, 2025, 27 February, 'US condemns Thailand's deportation of 40 Uyghurs to China', *Radio Free Asia*, https://www.rfa.org/english/uyghur/2025/02/27/thailand-china-deported/

Liang, Lu-Hai, 2025, 26 May, 'Thailand pauses digital wallet cash handout as US tariffs bite', *Biometric Update*, https://www.biometricupdate.com/202505/thailand-pauses-digital-wallet-cash-handout-as-us-tariffs-bite

Lowy Institute, 2025, 'Southeast Asia Aid Map – Thailand', https://seamap.lowyinstitute.org/country/thailand/#:~:text=Thailand

Matichon, 2025, 4 February, มองเกมอำนาจ ตท.26-27-28 ในยุค ผบ.ทบ.อำนาจเต็ม ประกาศิต 'บิ๊กปู่' วอนนึง จับตา 'รองณัฏฐ์' ในวงล้อม ตท.26 ชิง แม่ทัพอีสาน ('Looking at the power game of Class 26-27-28 of the Royal Thai Army during the era of the Army Commander-in-Chief with full authority, the announcement of «Big Pu» is a warning. Keep an eye on «Rong Nat» in the encirclement of Class 26 of the Royal Thai Army, competing for the position of Northeastern Army Commander'), https://www.matichon.co.th/weekly/column/article_825962

Nierenberg, Amelia, and Wee Sui-Lee, 2025, 30 July, 'What to Know about the Conflict between Thailand and Cambodia', *The New York Times*, https://www.nytimes.com/2025/07/24/world/asia/thailand-cambodia-border-fight.html

Olarn, Kocha, and Ross Adkin, 2025, 5 February 'Power cut to site of global, billion-dollar scam industry. But will it halt the swindling?' CNN, https://www.cnn.com/2025/02/05/asia/myanmar-thailand-scam-power-cuts-intl-hnk

Panarat Thepgumpanat, and Chaiyut Setboonsarng, 2025, 1 December, 'Thailand Floods Hit PM Anutin's Popularity Ahead of Snap Polls', *Reuters*, https://www.reuters.com/business/environment/thailand-floods-hit-pm-anutins-popularity-ahead-snap-polls-2025-12-01/

Pathan, Don, 2025, 28 October, 'New Thai Appointments for the Deep South', *Prachatai*, https://prachataienglish.com/node/11630#:~:text=Thai%20appointments%20fo-,r%20the%20Deep%20South

Phontham Visapra, 2025, 7 June, 'Thailand Tightens Border Checkpoint Controls Amid Cambodian Incursions, Gov Denies Closure', *Laotian Times*, https://laotiantimes.com/2025/06/07/thailand-tightens-border-checkpoint-controls-amid-cambodian-incursions/

Phusadee Arunmas, 2025, 25 September, 'Thai Household Debt Surges to Four-Year High', *Bangkok Post*, https://www.bangkokpost.com/business/general/3110736/thai-household-debt-surges-to-fouryear-high

Pimuk Rakkanam, 2025, 28 May, 'Thai Prime Minister Urges Calm after Cambodian Soldier Killed in Border Clash', https://www.rfa.org/english/cambodia/2025/05/28/cambodia-thailand-border-clash/

Plewissara, Nattan Casey, 2025, 22 June, 'The Leaked Call Shaking Thai Politics Translated', *The Asian Cable*, https://www.theasiacable.com/p/the-leaked-call-shaking-thai-politics.

PPTV, 2025, 23 July, 'กองทัพเตรียม «แผนจักรพงษ์ภูวนารถ» รับมือสถานการณ์ชายแดนไทย-กัมพูชา' [The army is preparing the «Chakraphong Phuwanat Plan» to deal with the situation on the Thai-Cambodian border], https://www.pptvhd36.com/news/สังคม/253273.

Radio Free Asia, 2023, 19 January, 'Myanmar's junta chief meets Thai counterpart at beach resort to discuss military ties', https://www.rfa.org/english/news/myanmar/meeting-01192023154946.html

Rand, Dafna, 2025, 28 January, 'Stopped Security Assistance: From Counter-Narcotics to Combating Human Trafficking Programs', *Just Security*, https://www.justsecurity.org/106919/stopped-security-assistance/

Ratcliffe, Rebecca, 2025, 9 September, 'Thaksin Shinawatra jailed by Thailand supreme court for one year in major blow to former prime minister', *Guardian*, https://www.theguardian.com/world/2025/sep/09/thaksin-shinawatra-former-prime-minister-jailed-by-thailand-supreme-court-for-one-year-ntwnfb

Regan, Helen, and Olarn Kocha, 2025, 29 August, 'Thailand's prime minister removed from office over leaked phone call scandal with Cambodian strongman', CNN, https://www.cnn.com/2025/08/29/asia/thailand-paetongtarn-shinawatra-court-hnk-intl

Reuters, 2025, 4 March, 'Thailand arrests 100 people for operating in border scam center', https://www.reuters.com/world/asia-pacific/thailand-arrests-100-people-operating-border-scam-centre-2025-03-05/

Reuters, 2025, 28 July, 'Thailand-U.S. trade talks should be concluded before August 1, Minister says', https://www.reuters.com/world/asia-pacific/thailand-us-trade-talks-should-be-concluded-before-august-1-minister-says-2025-07-29/

Reuters, 2025, 5 September, 'What to Know about Anutin Charnvirakul, Thailand's New Prime Minister', *Dallas Morning News*, https://www.dallasnews.com/news/world/2025/09/05/what-to-know-about-anutin-charnvirakul-thailands-new-prime-minister/

Soto, Jack, and Rahman Yaacob, 2023, 2 December, 'Is China Replacing the US as Thailand's Main Security Partner?' Lowy Institute, https://www.lowyinstitute.org/publications/china-replacing-us-thailand-s-main-security-partner

Supalak Kanjanakhundee, 2025, 7 March, 'สันติภาพถาวร ความไร้เสถียรภาพที่ยืดเยื้อ หรือเปิดศึกรอบใหม่เรื่อยไป? ฉากต่อไปในประเด็นชายแดน ไทย-กัมพูชาจะเป็นอย่างไร?' [Permanent peace, pro-

longed instability, or keep opening a new round of war? What will be the next scene on the Thai-Cambodian border issue?] *ThaiRath*, https://plus.thairath.co.th/topic/politics&society/105939

Thai Enquirer, 2025, 30 October, 'Deputy PM Thammanat and Ex-Deputy Finance Minister Vorapak Skip Committee Meeting on Scam Network Links', http://www.thaienquirer.com/62010/deputy-pm-thammanat-and-ex-deputy-finance-minister-vorapak-skip-committee-meeting-on-scam-network-links/

Thai PBS, 2025, 6 June, 'ไทยนี้รักสงบ แต่ถึงรบไม่ขลาด ส่องแนวรบ กองทัพ-รัฐบาล-การเมือง' [Thais love peace, but are not afraid to fight. Look at the battle lines: the army, the government, and politics], https://www.thaipbs.or.th/news/content/352942#:~:text=สงบ%20แต่ถึงรบไม่ขลาด%20ส่องแนวรบ%20กองทัพ%2Dรัฐบาล%2D%E0%B8%81าร เมือง.

Thai PBS, 2025 25 July, '«ประกาศกฎอัยการ» ศึก 8 อำเภอ '«จันทบุรี-ตราด» มีผลทันที' [«Martial law» declared in 8 districts of «Chanthaburi and Trat» effective immediately], https://www.thaipbs.or.th/news/content/354666#:~:text=ประกาศกฎอัยการศึก%25208%20อำเภอ%20%22จันทบุรี%2Dตราด%22%20มีผลทันที.

Thai PBS World, 2025, 17 February, 'Cash handouts fail to provide Thai economy the expected thrust', https://world.thaipbs.or.th/detail/cash-handouts-fail-to-provide-thai-economy-the-expected-thrust/56559

Thai PBS World, 2025, 8 July, 'Game Over: Casino Bill Withdrawn', https://world.thaipbs.or.th/detail/game-over-casino-bill-withdrawn/58138

Thai PBS World, 2024, 2 December, 'Paetongtarn's Maturity Under Spotlight', https://world.thaipbs.or.th/detail/paetongtarns-maturity-under-spotlight/55673

Thai PBS World, 2025, 19 July, 'Retaliation against Cambodia over landmines is justified – Thai army chief', https://world.thaipbs.or.th/detail/retaliation-against-cambodia-over-landmines-is-justified-thai-army-chief-/58247

Thai PBS World, 2025, 29 September, 'Anutin Gives Green Light to Army to Respond to Rising Border Tensions', https://world.thaipbs.or.th/detail/anutin-gives-greenlight-to-army-to-respond-to-rising-border-tensions/59001

Thai PBS World, 2025, 16 October 'Parliament Votes in Favour of People's Party's Charter Amendment Bill', https://world.thaipbs.or.th/detail/parliament-votes-in-favour-of-peoples-partys-charter-amendments-bill/59218

Thai PBS World, 2025, 26 November, 'Trump's Tariff Sword Hangs over Thai Economy', https://world.thaipbs.or.th/detail/trumps-tariff-sword-hangs-over-thai-economy/59671

Thai PBS World, 2024, 26 December, '2024 in Thai Politics: The Return of Shinawatra Rule', https://world.thaipbs.or.th/detail/2024-in-thai-politics-the-return-of-shinawatra-rule/55949

The Irrawaddy, 2025, 8 August, 'Thailand Pledges to Help Myanmar Junta With Controversial Poll Plan', https://www.irrawaddy.com/news/myanmars-crisis-the-world/thailand-pledges-to-help-myanmar-junta-with-controversial-poll-plan.html

The Guardian, 2025, 5 March, 'US offered to resettle Uyghurs that Thailand deported to China, sources say', March 5, 2025, https://www.theguardian.com/world/2025/mar/05/us-offered-to-resettle-uyghurs-that-thailand-deported-to-china-sources-say

The Nation, 2025, 17 February, 'Second Army Area protests against provocative incident by Cambodian troops in Surin', https://www.nationthailand.com/news/asean/40046376

The Nation, 2025, 7 June, 'Army Chief authorizes border closure measures in response to Cambodian incursions', https://www.nationthailand.com/news/general/40050934

The Nation, 2025, 15 June, 'King Sends Royal Gifts to Troops Guarding Thai-Cambodian border', https://www.nationthailand.com/news/general/40051302

The Nation, 2025, 29 June, 'International Media Spotlight Thai protests over Hun Sen phone call scandal', https://www.nationthailand.com/blogs/news/politics/40051902

The Nation, 2025, 2 September, 'People's Party Decides to Support Anutin Charnvirakul for PM with Conditions', https://www.nationthailand.com/news/politics/40054898

The Nation, 2025, 12 September, 'Anutin Vows No More Peace Talks with Cambodia, Unafraid of US Tariff Threat', https://www.nationthailand.com/news/asean/40058131

The Nation, 2025a, 17 October, 'STEC denies wrongdoing, says Sino-Thai Tower operates legally and transparently', https://www.nationthailand.com/news/politics/40056947

The Nation, 2025b, 17 October, 'Thai commerce minister meets Chinese ambassador to boost agricultural exports', https://www.nationthailand.com/news/general/40056918

The Nation, 2025, 5 November, 'Inflation drops 0.76% in October, with «Let's Go Halves Plus» scheme set to boost spending', https://www.nationthailand.com/business/economy/40057787

The Nation, 2025, 16 November, 'Thai GDP drops 0.6% in Q3, NESDC keeps 2025 growth forecast at 2%', https://www.nationthailand.com/business/economy/40058348

The Nation, 2025, 30 November, 'Foreign investment in Thailand hits to THB276 billion in 10 months', https://www.nationthailand.com/blogs/business/investment/40059056.

The Nation, 2025, 9 December, 'Thailand Breaks 30 Million Tourist Mark Despite Yearly Dip', https://www.nationthailand.com/news/tourism/40059479

The Nation, 2025, 11 December, 'People's Party Presses Bhumjai Thai Over «Broken» Pact on Senate Veto', https://www.nationthailand.com/news/politics/40059636

Thitinan Pongsudhirak, 2025, 25 September, 'Thailand's New Cabinet Reflects an Eclectic Group of Technocrats and Party Stalwarts', *Bower Group Asia*, https://bowergroupasia.com/thailands-new-cabinet-reflects-eclectic-mix-of-technocrats-and-party-stalwarts/

UNDP (United Nations Development Programme), 2025, *World Inequality Report 2026*, https://wir2026.wid.world/

United States Department of State, 2025, 8 April, 'On the Thai Authorities' Arrest of Paul Chambers', https://th.usembassy.gov/on-the-thai-authorities-arrest-of-paul-chambers/

USA Facts, 2024, 'How Much Foreign Aid Does the US Provide to Thailand?' https://usafacts.org/answers/how-much-foreign-aid-does-the-us-provide/countries/thailand/

VOV5 (Voice of Vietnam 5), 2025, 17 June, 'Thai PM Affirms to Maintain Peace and Dialogue with Cambodia', https://vovworld.vn/en-US/news/thai-pm-affirms-to-maintain-peace-and-dialogue-with-cambodia-1400778.vov

Wee, Sui-Lee, 2025, 15 March, 'U.S. Punishes Thai Officials Over Deportation of Uyghurs to China', *New York Times*, https://www.nytimes.com/2025/03/15/world/asia/us-sanctions-thai-uyghurs-china.html

Wee, Sui-Lee, 2025, 28 August, 'Thai Court Ousts Prime Minister in Major Blow to the Shinawatra Family', *New York Times*, https://www.nytimes.com/2025/08/28/world/asia/thailand-paetongtarn-shinawatra-verdict.html

Wee, Sui-Lee, 2025, 28 November, 'These Scam Centers Were Blown Up. Was It All for Show?' *New York Times*, https://www.nytimes.com/2025/11/28/world/asia/myanmar-scam-centers-junta.html

Wikileaks, 2009, 23 November, 'Thailand: Circles of Influence Inside the Institution of the Monarchy in King Bhumipol's Twilight', https://wikileaks.org/plusd/cables/09BANGKOK2967_a.html

Zhang, Jianwei (Chinese Ambassador to Thailand), 2025, 13 November. *Thai PBS World*, 'Writing a New Chapter in China-Thailand Friendship', https://world.thaipbs.or.th/detail/writing-a-new-chapter-in-chinathailand-friendship/59521#

Myanmar 2025: The military eschews off-ramping and fights back, as the polycrisis carries on*

Matteo Fumagalli

University of St Andrews, Scotland
mf29@st-andrews.ac.uk

Throughout 2025, Myanmar remained engulfed in overlapping crises of war, mass displacement, and severe humanitarian need. The 28 March earthquake and the abrupt reduction in US aid further compounded these conditions, reinforcing the view that the country was experiencing a protracted polycrisis, or multiple, simultaneous and interconnected crises that defy a single explanation or solution. The military improved its position over the course of the year. While still embattled, it regained part of the territory lost during Operation 1027 in 2023-2024 thanks to China-mediated ceasefires with key ethnic armed organizations in northern Shan State. These developments, alongside battlefield adaptations, left the junta in a more secure position. In the second part of the year, the military shifted toward organizing elections, lifting the state of emergency, dissolving the State Administration council, and establishing a new governing body (the State Security and Prosperity Commission) to oversee a staged, non-competitive electoral process due to begin on 28 December 2025.

The March earthquake highlighted both the scale of the crisis and the difficulty of delivering aid in a fragmented and conflict-affected environment. Meanwhile, illicit transnational economies continued to thrive, particularly in border regions where scam centres and the mining and trade of rare earths and other critical minerals flourished.

This article advances two main arguments. First, Myanmar's fragmentation is actively produced through strategies such as bilateral, non-inclusive ceasefires, which the military used effectively in 2025 to divide opposition forces. Second, China's clout has grown further through mediation and conflict-management and also a new security footprint in the form of Chinese private security companies tasked with protecting infrastructure and personnel. However, Beijing's approach was not guided by a single overarching strategy. Its involvement varied across regions, although it was broadly aligned with support for stability and the military-led electoral process. Overall, elections and ceasefires were not steps toward peace, but instruments to consolidate military control and restructure Myanmar's political order. Myanmar's immediate neighbours hoped for an off-ramp, but the military was not actively seeking or offering one.

Keywords – earthquake; China; ceasefires; elections; polycrisis.

* I am grateful to the Scottish Council on Global Affairs (Insight Award 'How inclusive is the revolution in Myanmar?'), the British Academy (SRG2526/261803) and the University of St Andrews' Impact and Innovation Fund for their support for this research. I am also very grateful to the reviewers for their valuable feedback to an earlier version of the manuscript.

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

1. *Introduction*

Even against the backdrop of Myanmar's turbulent post-independence history, marked by multiple insurgencies and decades of authoritarian rule, the 2020s have been particularly devastating for its people, their lives, livelihoods, the economy, governance and infrastructure. More than five years after the 2021 military coup, the country remained trapped in overlapping crises of armed conflict, mass displacement, and acute humanitarian need. By 2025, Myanmar's challenges had become deeply entrenched and mutually reinforcing, exemplifying what can be described as a «polycrisis».

In this article, I use the concept of polycrisis as a generative lens for navigating and making sense of the turbulence and upheaval engulfing Myanmar. Although dating back to the early 1990s, the term was popularized in the early 2020s by the economic historian Adam Tooze in his book on the pandemic *Shutdown* [Tooze 2021], a piece in the Financial Times [Tooze 2022, 28 October] and his widely-read *Chartbook* newsletter on the platform *Substack* [Tooze 2023, 23 December].[1] Polycrisis, Tooze claimed back then, seemed an apt expression to capture the growing number of seemingly disparate shocks entangled in and engulfing the world [Tooze 2022, 28 October]. This seemed intuitively correct. Rapidly, the term became a buzzword [Delannoy et al. 2025; Henig and Knight 2023]. Despite the considerable risks of conceptual overstretch, I contend that the concept retains its analytical value and heuristic use to capture the intertwined and cascading crises in Myanmar and their protracted and seemingly intractable nature.

This is for two reasons. In a polycrisis the shocks are disparate. But they interact so that the whole is even more overwhelming than the sum of the parts. Cooper argues that merit – in the concept – lies in the way it references the diversity and range of the shocks; their interconnected and cascading character and consequent loss of «bullish self-confidence about the future» [Cooper 2025, 11 September]. Myanmar's crises are cumulative, interconnected and mutually reinforcing. Secondly, a key concern over the way in which polycrisis has been conceptualized and deployed is that empirical applications of the term, when they exist, tend to privilege structural drivers. Legacies, entrenched and long-lasting conditions surely matter and the point about the colonial and pre-colonial origins about many of Myanmar's challenges has been made clearly in the literature, but – as Tooze himself pointed out in more critical reflection on the term [Tooze 2025, 6

1. The philosopher and sociologist Edgar Morin first coined the term [Morin 1993], referring to «the complex intersolidarity of problems, antagonisms, crises, uncontrollable processes, and the general crisis of the planet» [Morin and Kern 1999, p. 74]. The context for the use of the term was the ecological crisis, and the term has since been adopted and widely used in the fields of sustainability and environmental studies. The expression was later rediscovered by then President of the European Commission Jean-Claude Juncker in 2016 [Juncker 2016, 21 June].

September] – intentional acts of disruptions are a defining aspect of our time. As I noted in earlier contributions on Myanmar's fragmented sovereignties, an understanding of the various forms of local multi-scalar agency matters is essential what is going on across Myanmar [Fumagalli 2023, 2024 and 2025]. Myanmar's polycrisis might have become normalized, but this is by design, not default: this is because of the intentional acts of a wide range of social forces, of which the Myanmar Armed Forces (MAF) are the oldest, largest and among the most consequential. Polycrises do not just happen. They are made.

Thus, I concur with Delannoy et al. [2025] when they note that, spilling across sectors and borders, the notion of polycrisis serves as «a generative lens for navigating the turbulence of planetary upheaval, and compass for steering pathways of transformation» [Delannoy et al. 2025].

Building on the framework briefly outlined above, the article advances two main arguments. First, while conflicts remained entrenched, protracted and increasingly intractable, the military managed to stage a comeback in some specific regions of the country, although this did not amount to an overall shift in realities on the ground. Embattled it may continue to be – and the end to war(s) was nowhere in sight – but the military felt it no longer faced an imminent collapse, or even the possibility of it. To be clear, the politics of ceasefires in 2025 reflected not an overall settlement, but a geographically specific and highly unequal strategy of fracturing the opposition.

Second, China's clout expanded significantly in 2025. Although Beijing's interests varied significantly, ranging from infrastructure projects such as the Kyaukphyu port in the Andaman Sea (Rakhine State) to resource extraction in Kachin State and the removal of scam centres from regions on its doorstep (Shan), it nonetheless emerged as the most consequential external player in Myanmar's evolving crisis. Private security companies tasked with protecting (Chinese) infrastructure and personnel greatly enhanced China's security footprint in the country.

This article is structured as follows. In the following section I focus on two key dynamics which significantly shaped domestic political outcomes: the well-practiced politics of ceasefires and the preparation for the elections due to take place in stages in December 2025 and January 2026. On 1 August, the state of emergency was formally lifted, the electoral system was revised, and the junta was dissolved and replaced by the State Security and Peace Commission (SSPC). The following section delves into the fallout of the March earthquake. Not all economic activities collapsed: the scam centres and the mining of rare earths continued to thrive. Lastly, I discuss the role of China, the only actor «willing and capable» of intervening and, crucially, making an impact on political outcomes in Myanmar [Lintner 2025, 21 January]. And yet, China did not have a single strategy to the country: it was effective in some contexts (Shan), but not others (Rakhine).

2. *Domestic politics*

Events from late 2024 through the end of 2025 marked a significant shift in the fortunes of Myanmar's military.[2] Operation 1027, first launched by the 3 Brotherhood Alliance (3BA) in late 2023 and renewed in Summer 2024, had made military defeat, if not likely, at least conceivable [Fumagalli 2024]. By the end of 2025, however, the armed forces had managed a partial comeback. This did not amount to a nationwide reversal of the war, but it was enough to alter political calculations in Nay Pyi Taw. In the eyes of the generals, regaining ground was essential to moving to the next phase of post-coup rule: the reordering of the country through a claimed restoration of constitutional order, meaning the political framework established by the 2008 constitution.[3]

Any assessment of Myanmar in 2025 needs to reckon with a situation that remained highly fluid and context-specific. The concept of fragmented sovereignty remains useful, but it is not sufficient on its own. Fragmentation is not simply a passive condition; it is actively produced. The notion of *fracturing* helps to capture the fact that actors are engaged in the making and remaking of Myanmar's warscapes which are constantly contested, negotiated and reshaped by actors operating on local, regional and global levels. Which actors prevail, and at what level, varies across the country. The military's long-standing strategy of dividing the opposition and pursuing bilateral ceasefires rather than inclusive settlement remained central in 2025. It was not strong enough to defeat all resistance forces across all fronts, but it retained the capacity to destroy, obstruct, and fragment them. In many places, this was enough to ensure its survival. As Nyar Na and Avila aptly put it, the MAF was «beaten, but not broken» [Nyar Na and Avila 2025].

2.1. *Ceasefires*

The clearest sign of the military's pushback came in northern Shan State.[4] Two ceasefires were pivotal: the agreement with the Myanmar National Democratic Alliance Army (MNDAA) in January [Reuters 2025, 20 January; Strangio 2025, 22 January] and the later agreement with the Ta'ang National Liberation Army (TNLA) in October [Strangio 2025, 5 May]. Both were brokered by China in Kunming and both reflected Beijing's overriding concern with stability along its border rather than any broader commitment to peace in Myanmar.

2. That said, this was not an entirely unexpected one, since in last year's contribution I wondered «whose tide» had turned [Fumagalli 2025].

3. The 2008 constitution is of course a largely topic in itself. For a background see Crouch [2019].

4. The situation in Shan State is especially fractured and complex. For a useful background see Ferguson [2021] and International Crisis Group [2025, 27 November].

The January 2025 ceasefire with the MNDAA was especially consequential. A previous Chinese-brokered agreement in early 2024 had collapsed within months, but this second arrangement appeared to hold in 2025 [Strangio 2025, 22 January]. Under its terms, the MNDAA withdrew from Lashio, the key strategic centre of northern Shan State and headquarters of the military's Northeastern Regional Military Command. Lashio had been captured at great cost during the 2024 phase of Operation 1027, so relinquishing it was a major concession for the MNDAA. China's pressure was decisive. Beijing used border closures, restrictions on electricity, fuel and communications, and even physical pressure (detention in China) on the MNDAA leadership to force it into compliance. In return, the military accepted the MNDAA's hold over the Kokang Self-Administered Zone, while the border with China reopened and trade resumed [Strangio 2025, 22 January]. The TNLA sought longer to resist both military pressure and Chinese mediation. It had signalled openness to a ceasefire in late 2024, just like the third member of the 3BA (the Arakan Army, AA) ostensibly did, but the TNLA tried to continue offensive operations into 2025. Eventually, however, after months of Chinese pressure, it too agreed to a ceasefire on 28 October [Strangio 2025, 5 May]. The terms required withdrawal from two significant towns, Mogok and Mongmit. Mogok was especially important: beyond its ruby mines, it lies close to Mandalay, and its fall to the TNLA had raised fears of a future march on Myanmar's second city.

These ceasefires had effects beyond the immediate cessation of fighting. Airstrikes in northern Shan were reduced, strategic roads and trade routes reopened, and the military was able to redeploy troops to other theatres. Perhaps even more importantly, the agreements fractured the 3BA, whose 2023-2024 offensive had been the single greatest challenge to the military since the coup. This greatly benefited the military. The recovery of the town of Nawnghkio in previously-captured TNLA territory in July symbolized this shift [*Al Jazeera* 2025, 18 July]. Previously held by the TNLA, its recapture showed that the military could still reverse opposition gains when battlefield learning, reinforcements, and air power were combined [Nyar Na and Avila 2025]. More broadly, the military's partial comeback rested on a mixture of adaptation and external circumstance. Conscription, despite predictions of ineffectiveness, produced around 80,000 new troops [Nyar Na and Avila 2025]. Drones were increasingly integrated into operations, reportedly with training support from Russia [Wai Yan Phyo Naing 2025; Storey 2026], as discussed later in this article. Decision-making over tactical air support was decentralized, allowing regional commands to respond more quickly without waiting for authorization from the top in Nay Pyi Taw.

At the same time, these developments were not replicated nationwide. In Rakhine, where the Arakan Army controlled most of the state apart from Sittwe, Kyaukphyu and the remote Manaung Island, the military remained on the defensive. In Kayin, conflict was shaped by deep intra-Karen divi-

sions involving the Karen National Union, the Karen National Army/Border Guard Force, and the military itself. In Chin, splits between the Chin Brotherhood and the Chin National Front weakened the resistance. In Karenni, the military made gains, but only in an extremely fragmented battlespace [International Crisis Group 2025, 19 March]. These cases confirm that the politics of ceasefires in 2025 reflected not an overall settlement, but a geographically specific and highly unequal strategy of fracturing the opposition. As demonstrated, among others, by Ruzza [2015] and Zaw Oo and Win Min [2007], this is line with the MAF's own approach to «conflict transformation» across the country's periphery, so this was not in itself an entirely novel development.

2.2. *Elections*

The other major development of 2025 was the military's move toward what were widely perceived as among Myanmar's most «unwanted elections» [Aung Naing Soe 2026]. Given the public's level of opposition to the military and its plans to hold what would be regarded as «sham elections», these were widely expected to be a distant cry from the previous two round of elections in 2015 [Kim 2016] and 2020 [Fumagalli 2021], which were widely regarded locally and internationally as free and fair. Since the coup, the generals had repeatedly justified their actions by alleging fraud in the November 2020 election and promising eventually to restore order through new polls. The state of emergency, initially meant to last six months, had been repeatedly extended. By mid-2025, the military judged that it had regained enough ground – and enough regional support – to proceed.

The ground for this had actually been prepared in the years preceding 2025. A hurried and deeply flawed census was conducted in 2024, though large parts of the country were inaccessible [Fumagalli 2025]. A new Party Registration Law passed in 2023 required that political parties re-register, which many anti-junta groups refused to do because doing so would imply recognition of the regime. Initially, parties were required to have at least 100,000 members and open offices in a minimum of half of the country's 330 townships, although these were later relaxed in 2024, so that the party membership threshold was lowered to 50,000 and the number of townships in which to open offices was reduced to a third of the overall townships [Bawi Tha Thawng 2024, 26 March]. In 2024, as it refused to comply with the new law, the National League for Democracy (NLD) was dissolved [Fumagalli 2025]. Others complied, such as the military proxy Union Solidarity and Development Party (USDP) and a number (over fifty) minor parties. In all effects, though, the result was the systematic exclusion of the principal democratic force in the country. The absence of the NLD and most serious opposition groups rendered the exercise hollow. The «Peace Talk» held in March and the «Peace Forum» held in June produced no substan-

tive outcomes and involved only a narrow set of participants, including the few minor ethnic armed organizations (EAOs) still formally attached to the 2015 Nationwide Ceasefire Agreement [Mathieson 2025, 28 June]. Yet these events were part of a broader choreography aimed at projecting normality and preparing the ground for elections.

The key institutional change took place in July 2005 [Amara Thiha 2025, 20 August]. The military announced that the state of emergency would be lifted as of 1 August. The State Administration Council (SAC) was dissolved and replaced by the State Security and Prosperity Commission (SSPC), a transitional organ designed to oversee the electoral process until the formation of a new government in 2026. In practice, this did not reduce military power but added another layer to an already convoluted governance structure. Alongside the National Defence and Security Council and the cabinet, the SSPC became the dominant political organ. Administrative tasks lay with the cabinet, but political strategy and electoral management remained firmly under military control. On 15 August, the authorities formally announced the electoral process. Polls for national (Lower and Upper House) and regional legislatures, and for the lower and upper houses of parliament, were to be held in staggered phases beginning on 28 December 2025 and continuing into January 2026. Security conditions were invoked to justify the staged format. In reality, insecurity also provided the regime with a mechanism to hold limited voting while still claiming constitutional continuity. The electoral design made meaningful competition impossible. Under the 2008 constitution, 25 per cent of parliamentary seats remained reserved for the military. Of the elected seats, many in ethnic minority areas were to remain vacant because elections would not be held there. Entire swathes of territory, most notably in Rakhine, northern Shan, Chin, Kachin, Karenni, Sagaing and parts of Magway, were outside meaningful military control, yet the law allowed results to stand even if voting occurred only in a single secure location, even if this were a single barrack. A new electoral system replaced the first-past-the-post system used – for example – in the 2015 and 2020 parliamentary election with proportional representation. These elections were staged elections intended to institutionalize a military-centred order, generate a veneer of legitimacy, and encourage external actors to normalize relations with Nay Pyi Taw.

Some international and regional actors – China and Thailand most notably – appeared willing to treat the elections as a possible off-ramp, de-escalating violence and favouring a return to stability. Within Myanmar, neither the military nor most opposition forces displayed any willingness to de-escalate first and consequently take steps to that effect. Elections, alongside economic controls and military reform, formed part of a coordinated strategy to secure continuity under constitutional cover. The objective was not peace, but the restoration of dominance.

3. *Economy*

Macroeconomic conditions remained extremely weak. According to the World Bank, economic activity in 2025 continued to be constrained by the combined effects of the March earthquake, ongoing conflict, subdued domestic demand, labour shortages, and persistent power outages [Bissinger 2025, 13 February; World Bank 2025]. Firms faced severe disruptions to electricity supply, manufacturing contracted, rice production fell, and tourism remained well below pre-pandemic levels.

3.1. *Earthquake*

If the ceasefires in northern Shan helped stabilize the military's position, the earthquake of 28 March 2025 exposed the very depth of Myanmar's wider humanitarian collapse. The disaster struck a country already broken by war, displacement, health-system collapse, and aid shortfalls. It compounded pre-existing crises rather than replacing them.

On 28 March, a 7.7 magnitude earthquake hit central Myanmar along the Sagaing Fault, followed ten minutes later by a 6.4 aftershock and then numerous further tremors [Shahzada et al. 2025]. The epicentre lay near the town of Sagaing and close to Mandalay, Myanmar's second-largest city, in central Myanmar. The earthquake was the largest to hit the country in over a century. Thousands were killed, thousands more injured, and vital infrastructure – roads, bridges, railways, religious sites, homes, power grids and communications systems – was badly damaged. Its impact was felt far beyond Myanmar, including in Bangkok, where a high-rise building under construction collapsed. The event resulted in at least 4,900 fatalities, 6,000 injuries, and widespread destruction of infrastructure, including residential, government and religious structures [Shahzada et al. 2025]. The earthquake highlighted systemic vulnerabilities in urban planning, historical preservation and disaster preparedness, exacerbated by rapid urbanization and inadequate seismic codes in an area that had undergone rapid urbanization and urban migration in recent years, without infrastructure and services adequately being adjusted to meet growing demands and pressure [Kim 2018].

The earthquake became a textbook example of crisis entanglement [Latifi and Goldberg 2025, 2 April]: environmental disaster intersecting with war, displacement, aid cuts, and political obstruction. In many rural parts of Sagaing and Mandalay, some of the worst affected areas were also zones outside effective military control, where People's Defence Forces operated and fighting had been intense since the coup. This made both assessment and aid delivery extraordinarily difficult [Worley 2025, 16 May].

The military's response followed a familiar pattern seen after Cyclone Nargis in 2008 and Cyclone Mocha in 2023 [Fumagalli 2024]: suspicion of foreign interference, efforts to centralize control, and politicization of access. Aid delivery was constrained not only by damaged in-

frastructure and insecurity, but by military restrictions. The junta tightly controlled permissions and distribution routes, partly out of habit, partly out of paranoia, and partly as punishment against communities that had resisted its rule. Humanitarian agencies therefore confronted severe logistical, financial, and political obstacles at the very moment need surged. External conditions made matters worse. Funding was already stretched by crises elsewhere, including Ukraine, Gaza and Sudan. Then came the sharp reduction in US aid under the Trump administration, including the dismantling of USAID [Nash 2025, 14 April]. This was a major blow in a setting where the humanitarian system was already under severe strain [Kim et al. 2025, 2 December; Fumagalli 2022; Fumagalli and Kemmerling 2024]. In this sense, the earthquake laid bare the polycrisis at the heart of Myanmar's condition: military, environmental, economic and humanitarian crises were no longer separate but mutually reinforcing.

On paper, the earthquake created the first genuine opportunity for nationwide de-escalation since the coup [BBC 2025, 2 April; Michaels 2025]. The National Unity Government (NUG) announced a temporary pause in offensive operations, and several other actors, including the military, declared unilateral ceasefires. Yet these pauses were largely performative. The Arakan Army and the Kachin Independence Army continued offensives. Some of the NUG's closest allies, including the Chin National Front, Karen National Liberation Army and Karenni Nationalities Defence Forces, did not declare ceasefires at all. Many feared that a real pause would either slow their military momentum or channel international aid through the junta, thereby strengthening its legitimacy.

3.2. *Scam centres*

A particularly striking manifestation of Myanmar's war economy in 2025 was the proliferation of online scam centres, a phenomenon that has attracted considerable attention in recent years [IISS 2025; Beech 2025, 17 February; Franceschini et al. 2023; Han 2019, 5 September; Laungaramsri 2025; Petchkaew 2025, 10 November; Ratcliffe 2025, 8 September; Ruser 2025]. In recent years, these have evolved from isolated criminal enclaves into a major pillar of the broader conflict economy, especially in the borderlands. They are not simply criminal enterprises operating alongside the war; they are embedded within the political economy of conflict itself, generating hard currency, financing armed actors, exploiting fragmented authority, and linking Myanmar's internal crisis to wider regional and global networks of organized crime. In practical terms, these centres are large, fortified compounds – often resembling business parks or private industrial zones – from which industrial-scale fraud operations are conducted. Their activities include cryptocurrency scams, romance fraud, impersonation, and extortion.

The spatial concentration of scam compounds in border zones – Shan first and Kayin more recently, due to China's pressure on the military and the

EAOs to crack down on the scam hubs in northern Shan [Fumagalli 2024] – is no coincidence. These operations flourish in places where state authority is weak, contested, or collusive; where infrastructure such as electricity and telecommunications is accessible; and where porous borders enable the movement of people, money, and technology. Along the Thai-Myanmar frontier, especially in Myawaddy and other parts of Kayin State, centres such as Shwe Kokko and KK Park became emblematic of this «business model». Shwe Kokko was the most notorious case: originally framed as a special economic zone, it soon became synonymous with transnational crime [Han 2019, 5 September; Han 2025, 21 November]. It operates as a fortified enclave for Chinese-linked scam networks and is controlled by the Karen National Army, also known as the Karen Border Guard Force, an armed group aligned with the Myanmar military [Han 2019, 5 September; Laungaramsri 2025]. Local actors reportedly facilitated these operations by leasing land, providing security, ensuring utilities, and protecting the compounds from outside interference.

In an industry that generates profits of about $US75 billion a year, the profits are immense, and the risks are often lower than those associated with narcotics trafficking [Fong and McGowan 2024, 31 May; Sriyai 2025]. This explains both the scale and the resilience of the scam economy. Crackdowns by the Myanmar military on the compounds in KK Park and Shwe Kokko in late 2025, including high-profile raids, often appeared selective or performative [Associated Press 2025, 20 November; Viyas 2025; BBC 2025, 12 December]. Workers were detained, compounds partially dismantled, and devices seized, but the key organizers frequently escaped, and operations soon resurfaced elsewhere or under different names, raising suspicions that that anti-scam operations often served a public-relations function while leaving intact a criminal economy from which military-linked interests continued to benefit.

Scam centres also transformed Myanmar's regional relations. For neighbouring states, especially China and Thailand, Myanmar increasingly came to be seen as a source of transnational insecurity. As discussed in relation to Operation 1027 in 2023 [Fumagalli 2024], Beijing, in particular, became more assertive in pressing both the junta and selected ethnic armed organizations to dismantle compounds that targeted Chinese nationals. Yet these interventions were highly selective, driven primarily by China's own security concerns rather than by a broader commitment to dismantling the underlying systems of trafficking, coercion, and armed protection. Scam centres therefore reveal the degree to which Myanmar's war economy is transnationalized, and it both feeds and is fuelled by other conflicts and collapse of legal governance.

3.3. *Rare earth mining*

If scam centres illustrate Myanmar's incorporation into transnational criminal economies, the extraction of rare earths and other critical minerals

demonstrates its equally important integration into strategic global supply chains, although arguably – just like the scam centres – the illicit flows of trade were more economically significant than the legal ones. By 2025, rare earth mining had become one of the most consequential dimensions of Myanmar's wartime political economy, particularly in Kachin State, rich in dysprosium and terbium, along the Chinese border [Fishbein et al. 2024, 4 December; Poling 2024]. There are several reasons for this, but one important contextual aspect to bear in mind is that China dominates the rare earth elements (REE) supply chain, being home to just under 40% of the world's REE reserves, while providing some 80% of REE supply [Meehan et al. 2025]. The US, among others, depends for well over 80% of its REE imports on China, making the country vulnerable to wider geopolitical competition and tensions between the two countries [Aung and Berry 2025, 17 November]. What tends to be forgotten in such debates is that in recent years the action taken by the Chinese state to mitigate the effects of the environmental impacts of REE mining has meant that China has in practice outsourced much of its polluting mining to areas such as Kachin State in Myanmar, creating an extractive resource frontier on its doorstep [Meehan et al. 2025]. The much looser labour and environmental standards and even the lack of a regulatory framework as regards REE mining has made areas in Kachin, but also Shan State, especially appealing to Chinese investors. The size of the phenomenon is considerable: China's official trade data evidence a surge in REE imports from Myanmar, from US$ 1.5m in 2014 to US$ 812m in 2021, with Myanmar accounting for around 94% of China's REE imports [Meehan et al. 2025]. The 2021-2024 period has seen a spike in Myanmar's exports of REE to China. The period amounts to 84% of REE exports to China over the broader 2017-2024 period, with a peak in 2023 when exports reached US$ 1.4bn in that year [Institute for Strategy and Policy – Myanmar 2025, p. 5). Myanmar's overall REE exports to China were extremely lucrative at well over US$ 4bn, of which US$ 3.6bn worth of REE was shipped during 2021-2024 [Institute for Strategy and Policy-Myanmar 2025, p. 5].

Since the 2021 coup, extraction has expanded rapidly. Mining sites have multiplied, exports have surged, and Myanmar has become China's largest external supplier of rare earth materials. These exports have been overwhelmingly directed across the border between Kachin State and Yunnan Province for processing, reinforcing a relationship of deep dependency on Chinese infrastructure, demand, and logistics. The political significance of this shift became particularly clear when the Kachin Independence Army seized control of key towns such as Chipwi and Pangwa, located near some of the world's most valuable deposits of heavy rare earth elements, in 2025 [Amara Thiha 2025, 24 June; Amara Thiba 2025, 1 August]. Importantly, these include dysprosium and terbium, both essential to electric vehicles, wind turbines, and advanced defence technologies. By taking these areas,

the KIA acquired not just territory, but authority over a critical resource frontier. It was thereby transformed from a territorial insurgency into the de facto governor of a strategically significant export corridor.

China's response was pragmatic. Border gates were initially closed and pressure was applied [Strangio 2025, 22 January], but negotiations followed and trade eventually resumed under new terms. In effect, this formalized the role of a non-state armed group as regulator and tax collector over one of the region's most valuable mineral flows. Such arrangements underscore the extent to which sovereignty in Myanmar had become fragmented and functional rather than purely legal. In practice, control over rare earths depended less on Nay Pyi Taw than on armed actors and Chinese buyers.

In 2025, reports emerged that policymakers in Washington had considered whether the United States might engage either the junta or the KIA in order to secure access to Myanmar's rare earth reserves [Reuters 2025, 29 July]. Such proposals, however, rested on a fundamental misreading of the situation. Extraction sites lie overwhelmingly in KIA-controlled territory, transport routes lead toward China, processing infrastructure exists across the border, and there is no viable route to the sea independent of Chinese-controlled logistics. Any attempt to redirect these flows would face overwhelming logistical, legal, financial, and political obstacles [Amara Thiha 2025, 24 June; Amara Thiha 2025, 20 August].

4. *International Relations*

Overall, Myanmar's foreign policy environment in 2025 was characterized by fragmentation, pragmatism, and limited strategic coherence. The military's external engagement focused on securing legitimacy and sustaining its rule. The planned elections of 2025-2026 were central to this effort, framed as a step toward stability that could encourage renewed international engagement. Despite its long-standing siege mentality and distrust of foreign powers [Lintner 2025, 7 November; Lintner 2025, 2 December], the junta has engaged in extensive diplomatic activity. After initial reluctance from external actors, especially ASEAN and China, to engage following the 2021 coup, this began to shift in 2023 and intensified in 2024. In 2025, this trend continued, with high-level meetings between Myanmar's leadership, including Min Aung Hlaing, and Chinese officials, including the first meetings between China's President Xi Jinping and junta leader Senior General Min Aung Hlaing in Moscow in May on the occasion of Russia's World War II celebrations and later in the summer at the summit of the Shanghai Cooperation Organization in Tianjin (China) [Reuters 2025, 3 October; Strangio 2025 5 May].

The longstanding debate between diplomatic isolation and engagement has become increasingly irrelevant in Myanmar's context. Western ac-

tors faced significant constraints: they could easily engage with EAOs (non-state armed organizations, and some with very patchy records of human rights violations and engagement in all sorts of illicit activities, so not all offered promising models of alternative governance arrangements).

While Myanmar is often framed as a site of geopolitical competition, in practice there was only one major player shaping political outcomes in 2025: China. From 2024 onwards, China has shifted from a relatively cautious approach – focused on preventing spillover – to a more interventionist posture aimed at shaping conflict dynamics. This shift was driven by frustration with the fragmentation of authority and the instability it generated. However, China's efforts do not constitute a comprehensive peace strategy. Instead, they reflect a form of conflict management aimed at maintaining a degree of order conducive to its interests. Beijing's dominance represents a significant shift when viewed historically. Relations between Myanmar and China have long been marked by distrust, rooted in events dating back to independence in 1948, including Chinese support for the Communist Party of Burma and the spillover of the Chinese Civil War. These experiences contributed to the Myanmar military's enduring suspicion of foreign interference. Public perceptions in Myanmar often view China as propping up the junta, though in reality Beijing has pursued a more complex strategy, engaging with multiple actors across the conflict landscape. China's presence is particularly evident in border regions such as Shan State, where it maintains deep ties with various EAOs, particularly the United Wa State Army (UWSA), alongside the Arakan Army, the largest and most powerful ethnic armed organization which has been running its de facto state in Myanmar's east for decades. The UWSA has historically served as a key conduit for arms supplies to other EAOs. However, in 2025 it announced a halt to such support, a move with immediate consequences for groups operating in northern Shan State, particularly the Myanmar National Democratic Alliance Army (MNDAA) and the Ta'ang National Liberation Army (TNLA). These developments reflected China's capacity to shape conflict dynamics indirectly.

China's role in Myanmar is best understood not as peace-making in a conventional sense, but as a form of conflict management [Hodge et al. 2025]. Beijing's primary objectives are to prevent instability from spilling across its borders – whether through armed conflict or illicit economic activity – and to protect its strategic infrastructure and personnel. These interests are closely tied to major projects such as the China-Myanmar Economic Corridor (CMEC), part of the Belt and Road Initiative, which provides China with access to the Indian Ocean via Myanmar's networks of rails, roads and pipelines.

Although China's influence in Myanmar is unparalleled, it would be misleading to describe its approach as a coherent grand strategy. Instead, China's policies are fragmented and context-specific, reflecting both the

diversity of conditions within Myanmar and the range of Beijing's own interests. In Shan State, China has been most effective, leveraging its relationships with EAOs and its influence over supply networks to shape outcomes. In Kachin State, its influence is more limited but still significant due to cross-border dependencies. In Rakhine State, however, China faces greater constraints. Yet, two priorities stand out: protecting infrastructure and personnel, and preventing systemic collapse in Myanmar. Although it has major strategic investments there – particularly in Kyaukphyu port and related energy infrastructure [Arakan Oil Watch 2025, April] – these assets are located in areas largely controlled by the Arakan Army, though not the port itself. While these projects have not been directly targeted, their security is precarious. In response, China has increasingly turned to private security companies (PSCs), enabled by Myanmar's 2024 law permitting foreign security providers [Abuza 2024, 21 November; Simpson 2024, 11 December]. These firms operate as non-combat actors focused on protecting infrastructure and ensuring project continuity, allowing China to expand its security footprint without direct military involvement, reflecting a broader trend in China's external engagement, combining economic investment with flexible security arrangements [Hu 2025]. While their presence in Myanmar remains limited, they signal a pragmatic approach to managing risk in a fragmented and conflict-affected environment. China's role was indispensable in bringing parties to the negotiating table, but its influence should not be overstated. Beijing did not create the military's recovery on its own. Rather, it enabled and consolidated a battlefield shift that the armed forces had already begun to produce through adaptation, coercion, and sheer attrition.

Beyond China, other external actors played relatively limited roles in 2025. ASEAN remained tied to the Five-Point Consensus (5PC) approach first outlined in 2021, inviting parties – among others – to reduce violence, compromise and pledge to engage with all relevant parties. This remained a laudable statement of intent, but the organization's lack of enforcement mechanisms and its internal divisions between those more and less reluctant to engage with the MAF (lack of consensus, that is), meant that the only act of significance was the ASEAN members re-affirming their commitment to the 5PC [ASEAN 2025, 26 October]. Russia continued to deepen its relationship with the junta, particularly in the areas of defence and energy [Wai 2025, 17 December], but most of the cooperation boasted – ostensibly even about space – was more rhetorical than factual. Moscow provided arms, training, and diplomatic backing, including support in international forums [Myanmar Now 2025, 26 May; Selth 2025, 14 May; Storey 2026]. To the MAF, Russia offered an important counterbalance to dependence on China, but Moscow could not compete in terms of economic clout or security footprint. Once again, like in other regions of the world, Russia had to get used to being China's junior partner. While actual progress on space and nuclear energy was not imminent in 2025, there appeared to be

some potential for Russia to develop a deep-sea port, a thermal power plant and an oil refinery in Dawei, in southeastern Myanmar (Thanintharyi Region) [Strangio 2025, 5 May]. However, while this could theoretically offer Russia the possibility to establish a strategic foothold in the Andaman Sea and the MAF to avoid over-dependence on China, this is precisely the kind of project that Beijing perceives as encroaching on its own area of interest. India's approach remained cautious and somewhat ineffective, shaped by competing priorities: maintaining border security, countering Chinese influence, and engaging with both the military and EAOs that control border regions [International Crisis Group 2025a, 18 June]. Bangladesh and Thailand adopted a pragmatic stance, also mired in ambiguity, with the former seeking to retain some level of engagement with the generals in Myanmar in the remote hope that at some point the Rohingya could return, while ensuring that the Rohingya militant organizations and criminal networks would not rule the camps in the Cox's Bazar area [International Crisis Group 2025b, 18 June]. None of what any actor on the ground did (the Bangladeshi authorities, the military, the Arakan Army or the Rohingya organisations) did anything to ameliorate the plight of the Rohingya communities on the ground [Latifi 2025, 2 September]. Bangkok had a similar approach, turning a blind eye to the millions of refugees and migrants from Myanmar living on its territory, dealing with the groups actually controlling its long border with Myanmar, while – to the dismay of many – failing to prevent the smuggling of humans and drugsalong its porous border and, crucially, supplying electricity to the scam centres in Kayin State, particularly the Myawaddy Township [Sriyai 2025]. However, its role was marked by ambiguity, as cross-border dynamics – including electricity supply and weak enforcement – facilitated the operation of illicit economies such as the scam centres.

5. *Conclusion*

In this article I have shown that in 2025 Myanmar remained home to an emergent configuration characterized by uncertainty, regulatory breakdowns, and the amplification of feedback loops that may be destructive or transformative. Each one interacted with and exacerbated the other, forming a complex systemic entanglement, which I referred to as an example of a polycrisis. The March 2025 earthquake and China-mediated ceasefires between the military and the MNDAA and TNLA underscored the trans-national, multi-layered and interconnected nature of Myanmar's multiple crises. The significance of two key ceasefires with the two EAOs that had previously seized territory during Operation 1027 gave the military some respite. And yet these cases confirm that the politics of ceasefires in 2025 reflected not an overall settlement, but a geographically specific and highly unequal strategy of fracturing

the opposition, an approach that the MAF have deployed before when trying to manage conflicts in the periphery. In 2025 China's more assertive role, enacted through diplomatic pressure, mediation, and the protection of its strategic interests, helped prevent the military's potential collapse and slowed the momentum gained by resistance forces. As the elections got under way in December 2025, neither the military nor resistance groups showed any interest in taking the first steps to compromise and de-escalate violence. Rather than offering an opportunity for an off-ramp (but for this there would have needed to be genuine elections), ceasefires and pre-election political manoeuvres further fragmented the opposition and should be understood as part of the military's strategy to create a narrative of reduced violence, so that interested international partners could re-engage the country, opening the door to a return to «business as usual». Far from being a localized and neglected crisis, Myanmar's polycrisis was actually a configuration of rapidly evolving and yet intractable ones.

Bibliography

Abuza, Zachary, 2024, 21 November, 'Are Chinese private armies entering the fray in Myanmar?', *Radio Free Asia*.

Al Jazeera, 2025, 18 July, 'Myanmar military claims recapture of strategic town from rebel force'.

Amara Thiha, 2025, 24 June, 'Rare Earths and Realpolitik, Kachin Control, Chinese Calculus, and the Future of Mediation in Myanmar', *Stimson*.

Amara Thiha, 2025, 1 August, 'Four reasons why proposals to source rare earth minerals from Myanmar will not succeed', *Stimson*.

Amara Thiha, 2025, 20 August, 'Myanmar's December Election: Engineering Continuity Through Institutional Redesign', *Stimson*.

Arakan Oil Watch, 2025, April, 'Conflict re-ignites in Kyaukphyu'.

ASEAN, 2025, 26 October, 'ASEAN leader's review and decision on the implementation of the five-point consensus', Kuala Lumpur.

Associated Press, 2025, 20 November, 'Myanmar's military launches raid on second major online scam centre'.

Aung, Isabella, and Mehek Berry, 2025, 17 November, 'Extracting rare earths, exploiting frontiers: the human cost of the international rare earths race in Myanmar', *LSE Southeast Asia Blog*.

Aung Naing Soe, 2026, 'The unwanted election', Mekong Review, 11(2), February-April.

Bawi Tha Thawng, 2024, 26 March, 'Challenges and perspectives of political parties on democracy and elections in Myanmar', *Stimson*.

BBC, 2025, 2 April, 'Myanmar military announces temporary ceasefire', 2 April.

BBC, 2025, 12 December, 'Myanmar's army says it wants to eradicate scam compounds. Is it really doing that?'.

Beech, Hannah, 2025, 17 February, 'On a lawless tropical border, the global scam industry thrives', New York Times.
Bissinger, Jared, 2025, 13 February, 'Challenges and priorities for Myanmar's conflicted economy', ISEAS Perspective, 11.
Cooper, Luke, 2025, 11 September, 'Defining the «crisis» in polycrisis: between structural force and perception. Conflict and civicness research Blog, LSE Blogs.
Crouch, Melissa 2019, *The Constitution of Myanmar. A textual analysis.* Oxford: Hart.
Delannoy, Louis, Jean-Charles Leveugle, Sofia Maniatakou, and Peter Søgaard Jøergensen, 2025, 'More than a buzzword? Mapping interpretations of the «polycrisis»', Sustainability Science. (https://doi.org/10.1007/s11625-025-01790-9)
Ferguson, Jane M., 2021, *Repossessing Shanland, Myanmar, Thailand and a nation-state deferred*. Madison, WI: University of Wisconsin Press.
Fishbein, Emily, Jauman Naw, Jaw Tu Hkawng, and Hpan Ja Brang, 2024, 4 December, 'A «new chapter»? The future of rare earth mining under KIO rule, *Frontier Myanmar*.
Fong, Clara, and Abi McGowan, 2024, 31 May, 'How Myanmar became a global center for cyber scams', *Council on Foreign Relations*.
Franceschini, Ivan, Ling Li, and Mark Bo, 2023, 'Compound capitalism: A political economy of Southeast Asia's online scam operations', Critical Asian Studies, 55(4), pp. 575-603.
Fumagalli, Matteo, 2022, The next swing of the pendulum? Cross-border aid and shifting aid paradigms in post-coup Myanmar, Florence: European University Institute.
Fumagalli, Matteo, 2023, 'Myanmar 2022: Fragmented sovereignties and the escalation of violence in multiple warscapes', Asia Maior, XXXIII/2022, pp. 261-280.
Fumagalli, Matteo, 2024, 'Myanmar 2023: New conflicts and coalitions reshape war narrative, challenging an embattled junta', Asia Maior, XXXIV/2023, pp. 235-257.
Fumagalli, Matteo, 2025, 'Myanmar 2024: Whose tide has turned?', Asia Maior, XXXV/2024, pp. 251-266.
Fumagalli, Matteo, and Achim Kemmerling, 2024, 'Development aid and domestic regional inequality: The case of Myanmar', Eurasian Geography and Economics, 65(4), pp. 486-515.
Han, Naw Betty, 2019, 5 September, 'Shwe Kokko: A paradise for Chinese investment', Frontier Myanmar.
Han, Naw Betty, 2025, 21 November, 'Global pressure forces Myanmar junta to crack down on scam centres', Reuters.
Henig, David, and Daniel M. Knight, 2023, 'Polycrisis: prompts for an emerging worldview', *Anthropology Today* 39(2), pp. 3-6.
Hodge, Jennifer, Monalisa Adhikari, Christine Bell, and Zabra Siwa, 2025, 'Disaggregated mediation: the localisation of peace processes amid global and domestic fragmentation', *European Journal of International Relations*, 32(1), pp. 262-293.
Holliday, Ian, Aung Kaung Myat, and Alastair D. B. Cook, '2025, 'Humanitarian engagement with Myanmar in the wake of the 2021 coup', *Journal of Asian Public Policy*, 19(1), pp. 89-104, (https://doi.org/10.1080/17516234.2024.2448035).
Hu, Xinyue, 2025, Forays beyond home grounds: Challenges facing Chinese private security companies in Myanmar, Singapore: RSIS.

IISS (International Institute for Strategic Studies), 2025, 'The geopolitics of Southeast Asia's cyber-scamming crisis', Armed Conflict Survey 2025, pp. 276-279.
Institute for Strategy and Policy-Myanmar, 2025, 'Unearthing the cost. Rare earth mining in Myanmar's war-torn regions', Chiang Mai, June.
International Crisis Group, 2025, 19 March, *Disquiet on the western front: a divided resistance in Myanmar's Chin State*, Brussels/Bangkok: Asia Pacific Briefing 181.
International Crisis Group, 2025a, 18 June, *A rebel border: India's evolving ties with Myanmar after the coup*, Brussels: Asia Briefing 182.
International Crisis Group, 2025b, 18 June, *Bangladesh/Myanmar: The dangers of a Rohingya insurgency*, Brussels: Asia Report 348.
International Crisis Group, 2025, 27 November, *Fractured heartland: Shan politics and conflict in post-coup Myanmar*, Bangkok/Brussels: Asia Briefing 186.
Juncker, Jean-Claude, 2016, 21 June, 'Speech by President Jean-Claude Juncker at the Annual General Meeting of the Hellenic Federation of Enterprises (SEV)'. (https://ec.europa.eu/commission/presscorner/detail/en/SPEECH_16_2293)
Kim, Youngmi, 2016, 'The 2015 parliamentary and 2016 presidential elections in Myanmar', Electoral Studies, 44, pp. 419-422.
Kim, Youngmi, 2018. 'Mandalay, Myanmar: The remaking of a Southeast Asian hub in a country at the crossroads', *Cities. The International Journal of Urban Policy and Planning*, 72B, pp. 274-286.
Kim, Youngmi, Aung Ko Ko, Naw Grace Thalay Pay, and Matteo Fumagalli, 2025, 2 December, 'UK Aid to Myanmar. London: UK Parliament', International Development Committee.
Latifi, Ali M., 2025, 2 September, 'Arakan Army denies Rohingya forced labour', The New Humanitarian.
Latifi, Ali M., and Jacob Goldberg, 2025, 2 April, 'Myanmar earthquake worsens one of the world's largest humanitarian crises', The New Humanitarian.
Laungaramsri, Pinkaew, 2025, 'Dark Zomia: Myanmar frontier and the Chinese enclosure', *Journal of Borderland Studies*, 40(6), pp. 1425-1440.
Lintner, Bertil, 2025, 21 January, 'China and the wars in Myanmar', *The Irrawaddy*.
Lintner, Bertil, 2025, 7 November, 'A look back at Myanmar's checkered election history', *The Irrawaddy*.
Lintner, Bertil, 2025, 2 December, 'Siege mentality: why Myanmar's generals still trust no one', *The Irrawaddy*.
Mathieson, David Scott, 2025, 28 June, Peace theatre of the absurd in Myanmar, *Asia Times*.
Meehan, Patrick, Mandy Sadan, and Dan Seng Lawn, 2025, 'The Myanmar borderlands as green energy transition «sacrifice zone»: a case study of rare earth mining in Kachin state', *The Extractive Industries and Society*, 22, 101579.
Michaels, Morgan, 2025, May, 'Assessing post-earthquake patterns of violence in Myanmar', IISS Myanmar Conflict Map.
Morin, Edgar, and Brigitte Kern, 1993, *Terre-Patrie*, Paris: Seuil.
Morin, Edgar, and Brigitte Kern, 1999, *Homeland Earth*, New York: Hampton Press.
Myanmar Now, 2025, 26 May, 'Myanmar, Russia sign pact of mutual protection from international prosecution'.
Nash, Carolyn, 2025, 14 April, 'The cost of US silence after Myanmar's earthquake', The New Humanitarian.
Nyar Na, and Drake Avila, 2025, 'Beaten but not broken: The Tatmadaw adapts after Operation 1027', ISEAS Perspective, 97.

Petchkaew, Kannikar, 2025, 10 November, 'The world's cyber scam hub in Myanmar gets even dirtier', Mekong Eye.
Poling, Gregory B., 2024, The dangerous allure of Myanmar's rare earths, Washington, DC: CSIS.
Ratcliffe, Rebecca, 2025, 8 September, 'The huge growth of Myanmar scam centres', The Guardian.
Reuters, 2025, 20 January, 'Myanmar military, minority armed group agree ceasefire'.
Reuters, 2025, 29 July, 'Trump team hears pitches on access to Myanmar's rare earths.'
Reuters, 2025, 3 October, 'Myanmar's reclusive general turns jet-setter in quest for election backing'.
Ruser, Nathan, 2025, *Scamland Myanmar, How conflict and crime syndicates built a global fraud industry*, Canberra: ASPI.
Ruzza, Stefano, 2015, 'There are two sides to every COIN: of economic and military means in Myanmar's comprehensive approach to illiberal peacebuilding', *European Journal of East Asian Studies*, 14(1), pp. 76-97,
Selth, Andrew, 2025, 14 May, 'Russia to boost Myanmar's imagery intelligence', *Lowy Institute*.
Shahzada, Khan, Umar Ahmad Noor and Zhao-dong Xu, 2025, 'In the wake of the March 28, 2025 Myanmar earthquake: a detailed examination', *Journal of Dynamic Disasters* 1(2), 100017.
Simpson, Adam, 2024, 11 December, 'Chinese security companies are putting boots on the ground in Myanmar', The Conversation.
Storey, Ian, 2026, *Putin's Russia and Southeast Asia*, Cambridge: Cambridge University Press.
Strangio, Sebastian, 2025, 22 January, 'Trade resumes after Myanmar military and major rebel group agree to ceasefire', *The Diplomat*.
Strangio Sebastian, 2025, 5 May, 'In Moscow meeting, Myanmar junta chief praises King Putin', *The Diplomat*.
Strangio, Sebastian, 2025, 30 October, 'Myanmar rebel group agrees to ceasefire with military ahead of junta election', *The Diplomat*, 30 October.
Sriyai, Surachanee, 2025, 'Borderland scam centres and cyber threats', ISEAS Perspective, 60.
Tooze, Adam, 2021, *Shutdown, How Covid shut down the world's economy*, London: Allen Lane.
Tooze, Adam, 2022, 28 October, 'Welcome to the world of the polycrisis', *Financial Times*.
Tooze, Adam, 2023, 23 December, 'Myanmar's polycrisis', *Chartbook* 256.
Tooze, Adam, 2025, 6 September, 'Polycrisis – is this the sequel?', *Financial Times*.
Wai Yan Phyo Naing, 2025, 17 December, 'Symbolic Alignment: Why the Myanmar Junta Is Expanding Its Engagement with Russia', *Stimson*.
World Bank, 2025, Myanmar economic monitor: Surviving not thriving, Washington, DC.
Worley, Will, 2025, 16 May, 'Slow earthquake response underlines need to overhaul aid', The New Humanitarian.
Zaw Oo, and Win Min, 2007, *Assessing Burma's Ceasefire Accords*, Washington, DC: East-West Center, Policy Studies 39.

Bangladesh in 2025: Under the shadow of «Monsoon Revolution»*

Amit Ranjan

Institute of South Asian Studies, National University of Singapore,
isasar@nus.edu.sg.

This article examines political developments in Bangladesh in 2025, a year dominated by the aftermath of the «Monsoon Revolution». The article analyses differences among political parties regarding the reforms and the timing of parliamentary elections. It investigates the increasing role of Islamist groups in Bangladesh's politics, noting their enhanced activism and strong social presence. Finally, this article analyses Bangladesh's relations with India, China, and Pakistan under the interim government. While the Yunus-led government has taken steps to reset ties with Pakistan and move closer to China, these foreign policy measures have widened the rift with India.

Keywords – Counter-narrative; China and Pakistan; parliamentary elections; political reforms; Islamists; minorities; Mujibur Rahman.

1. *Introduction*

Throughout 2025, Bangladesh remained consumed by discussions on reform measures, debates over their implementation, and speculation about when national elections would be held. The interim government simultaneously worked to restore law and order – a challenge that had persisted since August 2024, when former Prime Minister Sheikh Hasina fled the country following the successful student-led «Monsoon Revolution».

Hasina's departure was hailed as a «second liberation» by Muhammad Yunus, Chief Advisor to the country's Interim Government (The Economist, 2024, 6 August), and echoed by Mia Golam Parwar, Secretary General of Bangladesh Jamaat-e-Islami (BJI) [*The Business Standard* 2025, 26 March]. Upon assuming office, Yunus pledged comprehensive reforms across Bangladesh's political, economic, educational, and many other sectors. Unfolding the interim government's preference, in his first address to the nation on 25 August, Yunus said:

> I welcome you all to the new Bangladesh, a product of the student revolution. I pay the deepest respect to all those who died in the student-

* I am thankful to Monzima Haque from Dhaka University for reading the first draft of this article and providing critical comments. I also acknowledge the peer reviewers for their comments.

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

> people revolution against fascism in July and August... Fellow citizens, the Bangladesh that we got in exchange for the blood of millions of martyrs and the sacrifice of millions of mothers and sisters has been destroyed at the hands of fascism and autocracy... The education sector has been crippled, there has been looting in the banking and stock market sectors, and world records have been set in project expenditure. There has been unbridled money laundering, turning law enforcement agencies into puppets of a single party, snatching freedom of speech, snatching human rights – and this is just the tip of the iceberg. The fascist government has curtailed the constitutional powers and rights of the people to grab power. Misrule, corruption, injustice, oppression, and farce in the name of justice have endangered public security. People have been exposed to oppression and deprivation and discrimination. The voting rights of millions of people, including the new generation, have been snatched away over the years [Yunus 2024, 28 August].

Yunus added: «We want to build a country where the human rights of every citizen will be fully protected. We have only one goal: a liberal, democratic, and non-discriminatory Bangladesh where all communities live peacefully together. We are committed to ensuring that no form of discrimination can disrupt our dreams» [Yunus 2024, 28 August].

At that time, Yunus also expressed commitment to pursue sustainable and environmentally friendly development; find a «realistic» solution to the Rohingya's issue; ensure political unity; bring to justice security forces directly involved in killings, disappearances, or torture; and, prepare a white paper documenting corruption, money laundering, anti-public interest agreements, and project-related looting occurred during Hasina's long tenure [Tieri and Hossain 2024].

Hasina's departure also sparked a debate among a section of Bangladeshis over the role of Sheikh Mujibur Rahman, the country's Liberation War hero and the first head of state. During and after the student protests, numerous busts of Mujibur Rahman were vandalized. While protesters and opponents may have deep grievances against Mujib, his contribution to the country's liberation cannot be erased [Ranjan and Banerjee 2025, 4 September]. He played a significant role in forging an idea of the nation and in developing Bengali nationalism that stood against the Pakistani power elites and the military. Nevertheless, in the liberated country, as discussed below, Mujib used undemocratic means to achieve his political goals.

The violence that erupted during the anti-Hasina protests in 2024 did not fully subside in 2025. Under the interim government, Bangladesh witnessed increased violence against minorities, particularly Hindus, who are symbolized and linked with India by some Bangladeshis. A significant shift has also occurred in Bangladesh's foreign policy during the post-Ha-

sina period. Unlike previous years, under the interim government, Dhaka's distance from New Delhi widened, closer ties with China were pursued, and some successful attempts have been made to reset relations with Pakistan.

Against this backdrop, some significant questions emerge: Has Bangladesh's political governance fundamentally changed? What characterizes the relationship between majority and minority communities in post-Hasina Bangladesh? How is Bangladesh recalibrating its bilateral ties with India and other countries, mainly China and Pakistan?

This article attempts to address these questions through three main arguments. First, it demonstrates that Bangladesh's politics shapes communal ties and social structures, and vice versa. Second, it observes that Islamist groups have become more politically and socially active than during Hasina's rule, contributing to rising conservatism and misogyny in Bangladesh. Finally, it argues that the interim government's attempt to reset ties with Pakistan, its further deepening of relations with China, and the widening political distance between New Delhi and Dhaka underline changed foreign policy preferences in post-Hasina times.

2. *Political Differences on the Planned Reforms in Bangladesh*

To advance reforms, the interim government established six commissions in October 2024. These commissions were tasked with proposing recommendations for reforming Bangladesh's constitution, electoral system, judiciary, public administration, police, and anti-corruption measures [*The Daily Star* 2025a, 16 January].

The nine-member Constitution Reform Commission, chaired by Professor Ali Riaz, submitted its report in January 2025. The commission recommended expanding fundamental rights to include food, clothing, shelter, education, internet access, and the right to vote [Constitution Reform Commission n.d.a & *The Daily Star* 2025b, 16 January]. It proposed replacing nationalism, socialism, and secularism with equality, human dignity, social justice, and pluralism as fundamental principles of state policy [Constitution Reform Commission n.d.a & *The Daily Star* 2025b, 16 January]. Additional recommendations included establishing a bicameral legislative system, limiting the President and Prime Minister to two terms, and allowing parliamentarians to vote against party positions on legislative matters [Constitution Reform Commission n.d.a & *The Daily Star* 2025b, 16 January].

The Anti-Corruption Commission (ACC) offered recommendations addressing legal frameworks, organizational structure, complaint management, and investigation procedures for corruption-related matters. It advocated a comprehensive Corruption Prevention Strategy and outlined 11 specific programs to combat corruption [Anti-Corruption Commission Reform Commission 2025, 15 January].

The Public Administration Commission emphasized transparency, accountability, decentralization of governance, and effective local governance [Ranjan 2025, 15 January]. The Judiciary Commission called for a fully independent judiciary, while the Police Reform Commission proposed amendments and replacement of 22 existing laws to make police more people-friendly [Ministry of Information and Broadcasting, Government of People's Republic of Bangladesh 2025, 17 January].

In November 2025, the interim government finalized a draft ordinance for establishing an Independent Police Commission to ensure accountability and improve public relations. However, Transparency International Bangladesh urged a comprehensive revision of the draft Police Commission Ordinance, 2025, arguing that the current version could undermine the proposed commission's autonomy and effectiveness [*The Daily Star* 2025, 5 November]. Ireland offered support by sharing its experience with police reform. During her visit to Dhaka, Baroness Nuala O'Loan, Northern Ireland's first police ombudsman, made this proposal when she met Muhammad Yunus on 5 November 2025 [*Dhaka Tribune* 2025, 5 November].

Following the six commissions' submissions, a seven-member Jatiya Oaikymoto (Consensus Commission) headed by Muhammad Yunus was established to review and adopt the recommendations [*The Business Standard* 2025, 13 February]. The Consensus Commission has worked to build consensus for implementing reforms. The Yunus-led interim government has also initiated reforms in power and electricity, railways, finance and management, banking, labor rights, information and communication technology, migration, and other sectors [Reforms 2025].

One year after the Monsoon Revolution, in an address to the nation on 5 August 2025, emphasizing reforms, Yunus stated:

> We had three primary responsibilities: Reform, Justice, and Election... Among the recommendations submitted by the main commissions, we have already implemented many short-term and urgently needed reforms. These reforms will bring dynamism to the economic sector, the justice system, and public administration; transparency and accountability will increase significantly; corruption, irregularities, and harassment will be reduced... The July Charter will ensure smooth transfer of power in Bangladesh, the independence and capacity of accountable state institutions, the genuine realization of citizen rights, and proper management of national resources and capabilities. We must ensure that no future government can ever become fascist again. The state must be restructured in such a way that any sign of fascism, wherever it appears, can be immediately eradicated right there, so we never again have to wait 16 years, never again lose so many lives. We must never again require another mass uprising [BSS News 2025, 6 August].

Based on the reform commissions' reports, the Consensus Commission prepared a document known as the July Charter, named after the month when students' protests against Sheikh Hasina began. On 28 October 2025, the Consensus Commission submitted its recommendations to the interim government after three rounds of consultations with 30 political parties (Alamgir 2025, 5).

The interim government then held consultations with all political parties to secure signatures and acceptance of the July Charter. The charter addressed both non-constitutional reforms and proposed constitutional amendments. Signatories had to make a pledge to:

1. Ensure full implementation of the "July National Charter 2025," formulated through extensive consultation and adopted by consensus, reflecting the opportunities and aspirations gained through the sacrifices of thousands;
2. Make necessary constitutional amendments, additions, revisions, and rewrites, as well as amend, change, revise, or formulate new laws and regulations to implement the proposals contained in the July National Charter 2025 regarding governance systems including the constitution, judiciary, electoral system, public administration, police, and anti-corruption mechanisms;
3. Complete these constitutional and legal changes within two years of forming a government through national elections following the charter's adoption, ensuring the reforms' sustainability;
4. Ensure implementation of the charter's proposals within two years of its adoption;
5. Provide full legal and constitutional protection at every implementation stage;
6. Remain committed to implementing the charter and providing legal and constitutional protection; and
7. Give due constitutional recognition to the historical significance of the 2024 anti-discrimination and democratic movement and mass uprising [Kalerkantho 2025, 28 July].

In October 2025, 24 of 30 political parties participated in dialogues on the National July Charter and signed it. The National Citizen Party (NCP), Gonoforum, and four left parties – Communist Party of Bangladesh, Bangladesher Samajtantrik Dal (Basod), Bangladesher Samajtantrik Dal (Marxist), and Bangladesh Jasod Party – declined to sign [*The Daily Star* 2025, 17 October].

The left of the centre parties refused to endorse anything that might alter the constitution's four fundamental principles: democracy, socialism, secularism, and nationalism [Abbas 2025, 1 November]. The NCP sought

to ensure a legal foundation for the July Charter before signing and called for drafting and publicly releasing a Constitutional Reform Bill approved through referendum [Business in Bangladesh 2025, 30 October]. The NCP accused the Bangladesh Nationalist Party (BNP) and BJI of blocking reforms to delay the February 2026 polls [IANS Live 2025, 5 November]. Hasnat Abdullah, the party's chief organizer (South), stated during a coordination meeting that people were «exasperated» by what he termed the BNP's «mafia politics» and «extortion politics» [*The Daily Star* 2025a, 6 November].

The BJI demanded that introducing a proportional representation (PR) system for national elections be subject to a referendum. Golam Porwar stated: «If the people support the PR system in the referendum, all parties must accept it. If the majority reject it, Jamaat-e-Islami will also accept the decision. But the PR system cannot be ignored without seeking the people's opinion» [*The Daily Star* 2025, 11 October]. Besides BJI, the NCP and other parties also advocated the PR system for forthcoming elections, while the BNP and others were reluctant to accept it, preferring to maintain the current first-past-the-post voting system [*The Daily Star* 2025, 11 October].

Amid these developments, the interim government expressed concern about growing divisions among political parties over the implementation of reforms. Following a Council of Advisors meeting, Law Advisor Asif Nazrul told media:

> We are seeking a united opinion on the timing of the referendum, its content, and the order for implementing the July Charter, preferably within a week. If the political parties fail to provide a united stance, the government will proceed in its own way... It was observed at the meeting that despite long discussions within the Consensus Commission, there remain differing opinions on a few of the reform recommendations. The meeting also noted that disagreements have emerged among political parties over when the referendum should be held and what its subject should be [IANS Live 2025, 5 November].

Following the interim government's appeal, the BJI and other parties, including the NCP, attempted to resolve their differences over the timing of the referendum and the implementation of the July Charter [IANS Live 2025, 5 November]. However, the BJI, NCP, and six parties under the Ganotantra Mancha – an alliance that joined the BNP in a simultaneous movement – maintained that resolving the crisis remained the responsibility of the interim government [IANS Live 2025, 5 November].

A referendum on 47 key proposals from the Consensus Commission was scheduled either for election day or earlier. The BJI and many others demanded a referendum before national elections [Ahmed 2025, 5 November]. The BNP argued that no referendum should precede national elections. BNP Secretary General Mirza Fakhrul Islam declared: «We are in

agreement on this. No referendum will be allowed before the national election» [*The Daily Star* 2025b, 6 November]. He added: «A few political parties are trying to create instability with various demands. They are trying to disrupt and delay the election. The people will not accept this. We achieved independence through the shedding of much blood, freeing ourselves from the hands of fascists. We now have an opportunity to return to a democratic system. We cannot allow any conspiracy to destroy this opportunity» [*The Daily Star* 2025b, 6 November].

Accusing the Consensus Commission of bias, Fakhrul stated: «Now you're saying political parties should sit together and make decisions. Then what have you been doing all this time? You didn't do your job properly. We have always gone to the commission and given our opinions» [*The Daily Star* 2025b, 6 November].

Ultimately, the interim government decided that both elections and the referendum on reforms would occur simultaneously in February 2026, effectively ending all debate on the matter.

In the February 2026 elections, the BNP secured a landslide victory. BNP and its allies won 212 of 299 seats, while BJI and its partners won 77. In the concurrent referendum on reforms, 68.1% of Bangladeshis voted «Yes» and 31.9% voted «No» [*The Daily Star* 2026, 14 February]. The newly elected parliament would now determine the fate of reforms. In its manifesto, the BNP clearly stated: «The agreement reached and signed in the July National Charter on 17 October 2025 will be implemented with the highest priority» [BNP Manifesto 2026, 7].

3. *Political Changes in 2025*

Before examining the significant political changes of 2025, it is essential to understand Bangladesh's brief yet volatile political history. This historical context is necessary because much of the country's contemporary conflicts stem from competing narratives of the past. The Awami League carries Sheikh Mujibur Rahman's legacy, while the BNP and Islamists have questioned his role in the post-Liberation years.

Many scholars argue that Pakistan's political foundation was laid by Muslim elites from Punjab and North India [Talbot 2001; Dhulipala 2015], with Mohammad Ali Jinnah acting as the «sole spokesman» to the demand for a separate country [Jalal 1994]. However, I have argued elsewhere that Pakistan was born in East Bengal as a separate administrative territory – Inot, in the technical sense, as a nation-state – through the efforts of Bengali Muslim peasants and the middle class [Ranjan 2019]. In August 1946, Bengal saw the «Great Calcutta Killing», followed by communal violence in Noakhali in November. Both were related to the Pakistan movement in colonial India. There was a brief political discussion about the possibility

of a United Bengal, but Bengal was ultimately divided between India and Pakistan in 1947.

To partition British India, a separate Boundary Commission (BC) for Punjab and Bengal was set up. Both BCs were headed by Sir Cyril Radcliffe. The Bengal BC awarded 28,000 square miles to West Bengal, with a population of 21.19 million, of whom nearly 5.3 million (29%) were Muslims. East Bengal (Pakistan) received 49,000 square miles for a population of 39.11 million, of which 29.1% (11.4 million) were Hindus [Chatterji 1999, p. 213]. In the early years following partition, several Hindus and Muslims continued crossing the India-Pakistan border due to communal riots in their adopted homelands [Chatterji 2007, pp. 166-68]. Cross-border movement has continued even after the border became hard and securitized.

The religious bond between the East and West wings of Pakistan began to crumble soon after its formation. Differences over language and culture, combined with East Pakistan's serious economic grievances – particularly accusations that the West exploit its resources to benefit its power elites – mounted tensions between the two wings of the country. An immediate catalyst for Bangladesh's liberation was the West Pakistani power elites' denial of the premiership to Sheikh Mujibur Rahman, even though his party won 160 of 300 National Assembly seats in the 1970 elections. The social, economic, political and military events that unfolded afterwards in East Pakistan, and the third India-Pakistan war, combinedly led to Bangladesh's liberation in 1971.

The liberated country was headed by Sheikh Mujibur Rahman. However, four years after liberation, in 1975, Mujibur Rahman was assassinated along with 18 members of his extended family. The assassination was carried out by disgruntled elements of the country's Army. After Mujibur Rahman, Bangladesh endured two decades of military rule before returning to democracy in 1991. Following democracy's restoration, Khaleda Zia served as prime minister from 1991 to 1996. Sheikh Hasina won the national elections in 1996 and served as Prime Minister from 1996 to 2001. Khaleda Zia returned to power in 2001 and remained in office until 2006. In 2006, a Caretaker Government was set up to conduct elections, but it seized power and ruled the country from 2006 to 2008. Sheikh Hasina won the national elections in 2008 and served as prime minister from 2009 to 2024.

4. *«Second Liberation»*

In 2024, Sheikh Hasina's «authoritarian» rule in Bangladesh ended when student-led protests forced her to resign and flee to India. Once celebrated as a beacon of hope for Bangladesh's democracy, Hasina became increasingly authoritarian during her last tenure [Das 2025]. Human rights organizations accused her government of stifling civic rights, cracking down

on freedom of expression, engaging in extrajudicial killings, conducting enforced disappearances, and employing various forms of torture against political dissenters and critics [Amnesty International 2024].

Her government also faced accusations of manipulating election results, and torturing opposition workers and leaders to achieve desired outcomes. For example, in the January 2024 elections, opposition groups, international media, and several countries accused Hasina of using unfair means to secure victory. During the election process, approximately 25,000 opposition leaders and supporters were reportedly arrested, with some tortured and denied medical treatment [Mishra 2024, 24 January]. Hasina was accused of manipulating voter turnout figures. Then Chief Election Commissioner of Bangladesh, Kazi Habibul Awal, initially reported 28% voter turnout, but within an hour, this figure was revised to 40%. Many considered the 28% figure was «inflated» [Riaz 2024, 18 January].

Twenty-six, mainly smaller ones, out of 44 registered political parties contested the 2024 national elections. The BNP, a major AL opponent, boycotted the elections. The AL won 222 of 300 parliamentary seats, independent candidates secured 63 seats, and the Jatiya Party won 11 seats.

Protests began shortly after the election results were declared. An «India Out» campaign emerged on social media, as New Delhi was perceived as the primary force behind Hasina's consecutive election victories. Although the BNP never officially endorsed the «India Out» campaign, it received support from some of its members and workers of other opposition parties. On the contrary, many influential Islamist parties remained silent on the campaign. In fact, Bangladesh Islami Front, a conservative group, rejected such initiatives [Saimum 2024, 6 June].

Hasina was embroiled in political turmoil months later when students protested the High Court's decision on job quotas. Under the Quota system, 30% of the seats were reserved for children and grandchildren of liberation fighters, 10% for districts, 10% for women, 5% for ethnic minorities, and 1% for physically challenged persons – totalling 56% and leaving 44% for merit-based selection [*The Daily Star* 2024, 22 July].

Earlier, in 2018, following protests, Hasina's government issued a circular abolishing the quota system for 9th-13th grade (Class I and Class II) government jobs. With 20 grades in total, the quota system applied to grades 13-20 [*The Daily Star* 2024, 22 July]. However, students had demanded reform and revision of the quota system, not its complete abolition. The government's decision was challenged in the High Court by seven children of Bangladesh's freedom fighters. After hearings, the High Court declared the circular illegal on 5 June 2024 and reinstated the 56% quota. The High Court's decision triggered nationwide protests, with students from private universities, colleges, and even some schools participating. The Supreme Court's refusal to issue a stay order on the High Court's decision intensified the protests [*The Daily Star* 2024, 22 July].

Amid the student protests, during a 14 July news conference, when asked about the demonstrations, Hasina responded: «If the grandchildren of freedom fighters don't receive [quota] benefits, who will? The grandchildren of Razakars?» [Mahmud 2024, 5 August]. Her response ignited protests, with marchers at Dhaka University chanting: «Who are you? I am Razakar» [Mahmud 2024, 5 August].

Protests turned violent mainly after the Bangladesh Chhatra League (BCL), the Awami League's student wing, and police attacked protesters in Dhaka [Mahmud 2024, 5 August]. Due to nationwide unrest, the Hasina government requested early Supreme Court hearings on the quota system Consequently, on 21 July 2024, the seven-member Appellate Division bench, led by Chief Justice Obaidul Hassan, reduced the freedom fighter quota to 5% for children of freedom fighters, martyred freedom fighters, and Biranganas, with 1% for ethnic minorities and another 1% for people with disabilities and third-gender individuals [*The Daily Star* 2024, 22 July]. The verdict called for major reform of the quota system in government, semi-government and autonomous organisations, slashing the reservation to only 7% the earlier 56% [*The Daily Star* 2024, 22 July].

However, the Supreme Court's decision failed to pacify students, who now demanded the release of jailed comrades and action against officials responsible for violence against protesters. Initially, the protestors made nine demands:

- Hasina must publicly apologise for the mass killings of students.
- Then Home Minister Asaduzzaman Khan, Road Transport and Bridges Minister Obaidul Quader, Education Minister Mohibul Hasan Chowdhury Nowfel, and Law Minister Anisul Haque must resign from the cabinet and the Awami League.
- Police officers present at the sites where students were killed must be sacked.
- Vice chancellors of Dhaka, Jahangirnagar and Rajshahi universities must resign.
- The police and the BCL members who attacked the students and those who instigated the attacks must be arrested.
- Families of the killed and injured protestors must be compensated.
- All party-affiliated student politics, including BCL, should be banned and student councils should be established instead.
- All educational institutions and halls of residence must be reopened.
- Guarantees must be provided that no academic or administrative harassment of protesters will take place [*Al Jazeera* 2024, 25 July].

It is estimated that over 1,000 people died in violence between security forces and protesters. A United Nations Fact-Finding Report found

that discontent against the Hasina government had been brewing among many Bangladeshis for years. The report held institutional attitudes toward protesters responsible for the July-August violence [United Nations Human Rights Office 2025].

Hasina's reaction to the violence, where she expressed concern about the damage to the public property instead of the loss of human lives, eventually coalesced the protestors to demand her resignation [Mahmud 2025, 5 August]. The confrontation between Hasina's government and the protestors ended with her resignation and exit to India.

Following Hasina's exit, an interim government was formed, which initiated judicial proceedings into crimes committed under her administration. On 17 November 2025, the three-member International Crimes Tribunal (ICT), led by Justice Md Golam Mortuza Mozumder, delivered its verdict, finding Sheikh Hasina guilty on three counts: incitement, ordering killings, and failing to prevent atrocities during the 2024 student protests. The tribunal sentenced her to death. The ICT also sentenced Asaduzzaman Khan Kamal to death, while former Inspector General of Police Chowdhury Abdullah Al-Mamun, who became a state witness, received five years' imprisonment. In response, Hasina stated: «The verdicts announced against me have been made by a rigged tribunal established and presided over by an unelected government with no democratic mandate», adding that: «They are biased and politically motivated» [The Hindu 2025, 17 November]. The way the case against Hasina was pursued faced criticism, and the fairness of the judgement was questioned by a few like Meenakshi Ganguly Deputy Asia Director of Human Rights Watch, an international organisation, and a British investigative journalist, David Bergman, who had earlier questioned the Awami League's number of three million Bangladeshis killed during the 1971 war and was punished by the ICT set up by Hasina's government in December 2014. The United Nations Human Rights Office of the High Commissioner called the verdict «an important moment for victims of the grave violations committed during the suppression of protests last year», but it «regret[ted] the imposition of the death penalty» which it opposed «in all circumstances» [Ranjan 2025, 20 November].

5. *Countering the Established Narrative and Political Image of Sheikh Mujibur Rahman*

While protesting against Hasina, demonstrators also challenged the hegemonic narratives [Tanima and George 2025] that her government had used to favour her administration. Countering established narratives is a common strategy employed by protesters and rebel groups. To remain relevant over time, such movements build popular consent for their narratives by dismantling those established by the previous regime.

This counter-narrative is typically constructed by demolishing the heroic portrayal of figures championed by the previous establishment or by critically examining their historical roles.

In Bangladesh, protesters attacked portraits of Mujib and questioned his legacy. During Hasina's lengthy tenure, the Liberation War of 1971 remained central to all political narratives in Bangladesh. The Liberation War centred on her father, Mujibur Rahman, and any alternative narration was strongly rejected and suppressed. He was portrayed as an infallible leader. Many of those who questioned the official narrative were branded as anti-Bangladeshi and sometimes also punished.

Contrary to the established political narrative about Mujibur Rahman, his government is accused of engaging in various forms of atrocities against dissenters after the country's liberation. In 1972, Mujib formed the Jatiya Rakkhi Bahini [National Defence Force, JRB]. By 1975, JRB recruits numbered 25,000, with plans to expand to 120,000-130,000 by the end of 1980. The JRB «monopolized» the use of violence in Bangladesh [Cordon 2007, p. 13]. It received 13% of total expenditures allocated to the country's armed forces. This preferential treatment of the JRB over the armed forces in budget allocation, recruitment, and status created hostility among the armed forces toward the Mujib government [Maniruzzaman 1976, p. 121]. The JRB ostensibly targeted Mujib's political opponents [Almamun 2020, pp. 50-51] and was associated with arbitrary terrorizing tactics, though the government argued that the JRB was created to fight the Marxist dissident group, Gono Bahini [Riaz 2008, pp. 10-11].

Subsequently, the Mujib government passed the Fourth Amendment to the country's constitution, paving the way for one-party rule and absolute power. Following this amendment, the Bangladesh Krishak Sramik Awami League (BAKSAL) was established in January 1975, and all other political parties were declared illegal under it. Also, in June, all the country's daily newspapers, except four, were shut down. Of the four permitted newspapers, two were government-owned: Dainik Bangla and Bangladesh Observer. The other two were *Daily Ittefaq* and *Bangladesh Times* [Paul 2025, 25 January].

In the post-Hasina times, on the 50th anniversary of Mujibur Rahman's death (15 August 2025), NCP convenor Md Nahid Islam wrote a lengthy Facebook post stating:

> Sheikh Mujibur Rahman is not the Father of the Nation. We acknowledge his role and sacrifices in winning independence, but we also remember the national tragedy that unfolded under his rule. Through his leadership, Bangladesh was reduced to a tributary state of India, the anti-people Constitution of 1972 was imposed, and the foundations were laid for looting, political killings, and the one-party BAKSAL dictatorship [BSS News 2025, 15 August].

In July-August 2024, the protesters had vandalized and set fire to Mujib's murals, the Bangabandhu Memorial Museum, the statue of Themis at the Supreme Court premises, Shadhinata Sangram Bhashkarjo, the sculpture of Shilpacharya Zainul Abedin in Mymensingh, the Mujibnagar Liberation War Memorial Complex in Meherpur, and the Madhusudan De Smriti Sculpture at Dhaka University [*The Daily Star* 2024, 8 August]. Six months later, in February 2025, after Hasina delivered an online speech from her exile in New Delhi calling on supporters to oppose the interim government, mobs – many affiliated with Students Against Discrimination – torched Dhanmondi-32, Mujibur Rahman's residence. Awami League offices and houses of exiled party leaders were attacked in 19 other cities across Bangladesh [Sujan 2025, 7 February].

In a major action in June 2025, Bangladesh's interim government amended the 2022's law referring to Mujib as Father of the Nation. The interim government revised school textbooks, removing references to him as «Father of the Nation» while providing sufficient coverage of his role in Bangladesh's liberation. In the revised textbook for 2025, titled *History of Bangladesh: World Civilisation, Classes Nine and Ten*, prepared by the National Curriculum and Textbook Board, Mujib's role in the Liberation War receives substantial mention. The textbook mentions Mujib's famous March 1971 speech, in which he asked people to establish struggle committees under Awami League leadership to advance the struggle [History 2025, p. 202].

On the declaration of independence, the book states: «Major Ziaur Rahman declared the independence of Bangladesh from Kalurghat Betar Centre in Chittagong on 26th March. Then he declared independence again on 27th March on behalf of Bangabandhu Sheikh Mujibur Rahman» [History 2025, p. 204].

Such changes to school textbook syllabi to suit regime politics are not new. In the past, Hasina was accused of infusing textbooks with her party's ideology by erasing alternative political histories of the country.

In post-Hasina times, General Zia's role in Bangladesh has received greater attention. For instance, on 7 November 2025, the BNP and many others celebrated the 50th anniversary of National Revolution and Solidarity Day – commemorating the date in 1975 when General Zia captured power.

The protestors had also raised questions about the character of the Bangladeshi state. The question of Bengali versus Bangladeshi nationalism remains largely unsettled. In 1977, the military government replaced «Bengali» with «Bangladeshi» as the national identity in the Constitution through a proclamation. This was reversed in 2011 by Hasina's government, which reinstated Bangalee nationalism along with secularism and socialism through the 15th Amendment [Riaz and Harun O Rashid 2026].

On this matter, in 2025, the reform commission recommended calling the nation «Bangladeshis» instead of «Bengalees» [Constitution Reform

Commission, Government of Bangladesh n.d.a & *The Daily Star* 2025, 16 January]. The Constitution Reform Commission also recommended dropping the word secularism, generating fears among many in the country that Islamists would become politically stronger. The following section discusses Islamist groups and Hindu minority issues in Bangladesh.

6. *The Islamists and the question of minority in post-Hasina Bangladesh*

According to the 2022 census, Bangladesh's population is approximately 165.16 million, of which 91.04% are Muslims, 7.95% are Hindus, 0.61% are Buddhists, 0.30% are Christians, and 0.12% are from other religions [Population and Housing Census 2022]. In this multi-religious country, Bangladesh adopted secularism and a secular vision in its 1972 Constitution, yet Islamists gained ground through political and social support. Governments under General Ziaur Rahman (1977-1981) and General Hussain Mohammed Ershad (1983-1990) are largely accused of promoting Islamization from above.

Before proceeding, it is important to understand the term «Islamists» in the Bangladeshi context. Islamism is a political ideology that derives its legitimacy from Islam. Those who adhere to Islamism are called Islamists [Cagaptay 2016, 8 July]. Ali Riaz observes that, as elsewhere in the world, Islamists in Bangladesh are not «a homogenous and monolithic entity»; they do not belong to a single political party. Based on political parties drawing from Islamic referents, Riaz divides them into three broad groups: those who participate, even if grudgingly, in the existing political system; those who operate within the democratic political system despite reservations; and those who refuse to participate in constitutional politics and remain clandestine [Riaz 2008, p. 30].

These three groups share the goal of establishing an Islamic state in Bangladesh through an «Islamic revolution», though they differ on various matters, including the «ideal disposition of an Islamic state» [Riaz 2008, p. 30]. Riaz has further divided these groups into subgroups, identifying which Islamic parties belong to which category [Riaz 2008, pp. 30-31].

The rise of Islamists in Bangladesh has a history which is essential to understand the present context. During his tenure, General Rahman survived 21 coup attempts [Ahsan 2022] and several rebellions supported by both the political right and the left of the centre forces [Riaz 2016]. To quell unrest against his rule, Ziaur Rahman attempted to appease religious groups by enacting the Political Party Regulation Act, which cleared the way for BJI and other like-minded groups to participate in the country's political system. A series of constitutional amendments changed the nature of the Bangladeshi state. The words «secularism» and «secular» were deleted from the Preamble and Article 8 of the Constitution. A sentence stating that

«absolute trust and faith in the Almighty Allah» should be «the basis of all actions» was inserted through the Second Proclamation Order Number 1 in 1977. The words «Bismillah-ar-Rahman-ar-Rahim (*In the name of Allah, the Beneficent, the Merciful*)» were also inserted above the Constitution's Preamble [Majumder 2016]. Rahman also facilitated the return of Ghulam Azam, perpetrator of violence against Bengali speakers during the Liberation War, from exile. General Zia was assassinated in 1981 in Chittagong (now Chhatogram).

The Ershad government made Islamiat (Islamic religious studies) mandatory for school students. Society also witnessed the parallel rise of a radical version of Islam during the 1970s and 1980s. As a result, the centuries-old Sufi version of Islam [Chowdhury 2016, 4 July], practised by many Bangladeshis, was gradually being replaced by Wahhabism, which became popular in rural areas, especially among the lower middle class and those below them [Schendel 2009].

After democracy's return in 1991, the spread of radical Islam yielded electoral dividends for Islamists and was also exploited by other political parties. The most active Islamist party in Bangladesh is BJI. In the 1991 parliamentary elections, BJI contested 221 of the 300 seats open to direct election, winning 18 seats and securing 12% of the popular vote [Rehman 2013, 13 March]. Through a tactical alliance with the BNP, BJI gained two additional seats from the 30 indirectly elected seats for women. In 1996, BJI won three seats and 8% of the total polled votes. In the 2001 elections, it secured 4% of the votes and won 17 seats [Rehman 2013, 13 March].

In 2009, a petition against BJI was filed in the High Court by Bangladesh Tariqat Federation's Secretary General Rezaul Haque Chandpuri and 24 others, arguing that the party's charter breaches Bangladesh's secular Constitution as it is a religion-based political party that does not believe in the country's independence and sovereignty [The Hindu 2013, 5 August]. The High Court declared the BJI illegal. The BJI challenged the decision in the Supreme Court. In 2013, the Supreme Court rejected BJI's challenge to a High Court verdict that declared it illegal and barred it from contesting future elections [The Hindu 2013, 5 August]. Consequently, BJI was unable to contest the 2014, 2018, and 2024 elections.

The BNP has been accused of using religion to win elections or allying with Islamist parties to retain power. However, the Awami League (AL) has also used Islam and Islamist groups to win elections. Between 1991 and 1996, the AL developed close relations with BJI [Riaz 2016, p. 164]. AL leaders publicly affirmed their belief in Islam and presented themselves as custodians of Islamic values. They also highlighted their founder, Mujib's, contributions to enhancing Islamic education, establishing the Islamic Foundation, and making Bangladesh a member of the OIC [Riaz 2016].

Years later, when Hasina faced severe criticism from the opposition over her April 2017 visit to India and the signing of 22 agreements – includ-

ing a crucial US$4.5 billion concessionary line of credit to finance development projects and defence purchases – she courted Hifazat-e-Islam, an Islamist pressure group of madrassah teachers and students [Crispin 2017, 21 April].

Besides political organisations, there are militant groups that draw inspiration from a radical interpretation of Islam. Some prominent militant groups include Jamaat-ul-Mujahideen (JMB), Neo-JMB, Jama'atul Ansar Fil Hindal Sharqiya, Hizb ut-Tahrir, etc. Not only males but also, as a work by Lorch and Azad [2023] shows, women have been involved in the terror networks. One of the deadliest militant attacks in Bangladesh occurred on 1 July 2016, when seven fully armed militants stormed Dhaka's popular Holey Artisan Bakery, taking approximately 60 people – mostly foreigners – hostage. The area was cleared following a joint operation by commandos from the Bangladesh Army and Navy, special weapons and tactics teams, the elite Rapid Action Battalion, and the paramilitary Border Guards Bangladesh. In that operation, two policemen and six militants were killed, and one militant was captured. The militants killed nine Italians, seven Japanese, three Bangladeshis, and one Indian hostage [Roy 2016, 3 July]. In follow-up operations to the hostage crisis, Bangladeshi security officials reportedly killed approximately six to eight militant leaders between July and December 2016 [Bhaumik 2017, 4 April].

Shortly after Hasina's exit in late August 2024, the interim government revoked the ban on BJI and its student wing, Islami Chhattra Shibir (Islamic Students Organisation) [Bhattacherjee 2024, 31 August]. Later, in June 2025, the Bangladesh government restored its registration as a political party, allowing it to participate in elections, following the Supreme Court's May decision reversing the cancellation of BJI's registration. The order also overturned a conviction against key BJI leader ATM Azharul Islam, one of the party's prominent figures, who had been sentenced to death in 2014 for rape, murder, and genocide during the Liberation War [*Al Jazeera* 2025, 1 June].

The emboldened Islamists now form an important part of the country's politics and society. For instance, in October 2025, the interim government allowed controversial Islamic preacher Zakir Naik to visit Bangladesh. However, citing law and order, security, and logistics, the government later decided not to allow him to visit Bangladesh before elections [*The Business Standard* 2025, 5 November]. He had been banned from entering Bangladesh after the 2016 militant attack in Dhaka.

In November 2025, according to media reports, the Ministry of Primary and Mass Education scrapped newly created posts for music teachers in government primary schools after facing criticism from religious organizations [Bdnews 24.com 2025, 5 November]. Earlier, in September, after the position was announced, Islami Andolan Bangladesh chief Ameer Syed Mohammad Rezaul Karim condemned it and called for appointing

religious teachers in primary schools instead. Leaders from BJI, Khelafat Majlis, Bangladesh Khelafat Majlis, Bangladesh Khelafat Andolon, and Islami Andolan Bangladesh criticized the government's decision in a seminar. Hifazat-e Islam denounced it as an «anti-Islamic agenda» and demanded cancellation [Bdnews 24.com 2025, 5 November].

The government's decision to cancel recruitment of Music and Physical Education Teachers in primary schools under pressure from Islamic groups contradicts Bangladesh's National Education Policy 2010, which states that «a congenial and joyful environment need to be created in the schools to promote healthy physical and mental development of the children» [Ministry of Education, Government of People's Republic of Bangladesh]. The policy «envisions education as a tool for moral, social, and cultural development» and «explicitly includes music, arts, crafts, and physical education as part of primary learning to ensure children's creative and emotional growth» [Khaled 2025, 5 November].

Furthermore, Bangladesh's National Children Policy 2011 guarantees the holistic development of the country's children. Bangladesh also ratified the United Nations Convention on the Rights of the Child (UNCRC) in 1990. Therefore, by scrapping music and physical education posts, Bangladesh not only contradicts its own policies but also its universal obligations under the UNCRC and the Sustainable Development Goals (SDG 4) that call for children's holistic development [Khaled 2025, 5 November].

Bangladeshi Islamic groups argue that music and physical education contradict Islam, yet Muslim-majority countries such as Malaysia, Indonesia, Egypt, and Turkey include music in their educational curricula [Shetu 2025, 18 September]. Bangladesh Udichi Shilpigoshthi, a cultural organization, decided to protest the government's decision to cancel music and physical education teacher recruitment in primary schools. In a written statement opposing this decision, Amit Ranjan Dey, General Secretary of the organization, stated: «The cancellation of teacher recruitment in music and physical education is part of a far-reaching and conspiratorial political decision. There is an ongoing plot to remove fine arts, music, dance, and drama from the curriculum as well. Udichi believes these decisions are self-destructive and stem from communal and politically narrow motives» [*The Daily Star* 2025, 8 November].

For Islamists in Bangladesh, Hindus largely symbolize India. Even Hindus who vocally opposed Hasina were not spared by protesters during the anti-Hasina demonstrations in 2024. Shortly after the fall of the Hasina-led government, the homes of some of the Hindu citizens, their temples, and business establishments were attacked by protesters. In Dhaka's Dhanmondi, the house of Rahul Ananda, a Hindu musician from the band Joler Gaan (song of water), was set on fire. The Dhanuka Manasa Bari temple in Shariatpur was ransacked, the idols of Radha-Krishna were destroyed, and all 16 CCTV cameras installed inside the temple premises were damaged.

The Dinajpur Centre Cremation yard was vandalized. Similar incidents were reported across Bangladesh [*The Daily Star* 2024, 7 August].

In October, the crown gifted by Indian Prime Minister Narendra Modi to the Jeshoreshwari Temple during his 2021 visit to Bangladesh was stolen. Taking note of the theft and attacks, India issued a statement: «These are deplorable events. They follow a systematic pattern of desecration and damage to temples and deities that we have witnessed over several days now. We call upon the Government of Bangladesh to ensure the safety and security of Hindus and all minorities and their places of worship, especially during this auspicious festival time» [GoI 2024]. At that time, the Bangladesh government maintained that figures on the number of attacks on Hindus in Bangladesh presented by India were «misleading and highly exaggerated» [*The Wire* 2024, 21 December].

In 2025, according to the Bangladesh Hindu Buddhist Christian Unity (BHBCU) Council, between 4 August 2024 and 30 June 2025, 2,442 incidents of communal violence occurred in the country [Unity Council 2025]. The organization found that 50 people from minority communities were murdered, and 29 women, especially minors, were raped or gang-raped. The BHBCU also stated that communal attacks continued to plague minorities in 2025, citing several cases: 20 minority families in Daharmoshihati, Jashore, lost everything and had their homes burned; in Muradnagar, Comilla, a minority woman was raped and the video circulated online; and in Dhaka's Khilkhet, temples were demolished by government bulldozers without prior notice [Unity Council 2025].

However, in a positive development, Chinmoy Krishna Das Brahmachari, spokesperson for Bangladesh Sammilit Sanatan Jagran Jote (United Sanatan Dharma Awakening Group) and a former ISKCON (International Society for Krishna Consciousness) leader, who was earlier arrested on sedition charges in November 2024, was finally granted bail [Unity Council 2025].

In August 2024, Islamic groups and their affiliates were accused of attacks on Hindus. At that time, in an interview with *The Indian Express*, Golam Parwar stated: «They (those behind the attacks) are criminal elements who have taken advantage of the situation, some out of past enmity, some local disputes, and they should be dealt with as per law. The authorities must investigate and do justice...according to Islamic philosophy, we don't believe in violence against our brothers» [Roy 2024, 18 August]. He mentioned that the Ameer (Chief) of BJI, Shafiqur, visited the Dhakeshwari temple and met members of Hindu groups [Roy 2024, 18 August].

The Indian Express report added that Hindu leader Basudeb Dhar, who met BJI leaders at that time, said: «I told the Jamaat leaders that you have an image of being a communal and fundamentalist group. This is your opportunity to prove yourself otherwise» [Roy 2024, 18 August]. Dhar stated that BJI members guarded the temple. Parwar added: «There

has been a wrong perception created that Jamaat is an extremist, fundamentalist and communal party. They have labelled us like that» [Roy 2024, 18 August].

The BJI has frequently appealed for communal unity. For instance, in September 2025, Golam Parwar appealed for communal unity between Hindus and Muslims. In an interactive meeting with Hindu community leaders in Khulna, Parwar stated: «We want to safeguard this country through the collective strength of Hindus and Muslims. I urge everyone not to be misled by propaganda» [BSS News 2025, 25 September].

In an important development, Hindu cricketer Litton Das was appointed Bangladesh's cricket captain for the T-20 format. Hindu-Muslim relations in Bangladesh directly affect New Delhi-Dhaka relations, as discussed in the following section. In an interview with *The Indian Express*, Parwar added: «India is a friendly country...people of India are not our enemies. The Modi government's policy [p]ainted non-Awami League parties as anti-India. They think that only the Awami League can keep them safe, and if Islamic parties like ours come, then it will become a breeding ground for terrorists. This is a wrong perception» [Roy 2024, 18 August].

Nevertheless, Bangladesh-India ties deteriorated after Hasina's departure. Under the interim government, Dhaka has been increasing its closeness with Beijing and resetting ties with Islamabad. The following section examines these changes.

7. *Growing Distance from India, Increasing Closeness with China and Resetting Relations with Pakistan*

India and Bangladesh enjoyed very close relations during Hasina's tenure. During her time in office, India and Bangladesh signed several important agreements, including the Ganga/Ganges Waters Treaty (GWT) of 1996 and the Land Boundary Agreement of 2011. Under Hasina, New Delhi exercised considerable influence over Dhaka. At that time, India's Bangladesh policy was Hasina-centric, with minimal engagement with other political and social actors from the country. Despite this closeness, differences and disputes over certain issues – including the deal on the Teesta River and the question of «illegal» Bangladeshi immigrants – remained unresolved. Hasina managed these issues well, preventing conflicting matters from affecting the depth of India-Bangladesh ties. Due to such engagement, the then-opposition and a section of Bangladeshis attacked Hasina for «selling the country» to India [Shawon 2024, 25 June].

After Hasina's departure, Narendra Modi greeted Yunus when he assumed the position of Bangladesh's Chief Advisor. India's Foreign Secretary Vikram Misri visited Dhaka in December 2024, and Indian Foreign Minister S. Jaishankar met Foreign Affairs Advisor Touhid Hossain on the sidelines

of the eighth Indian Ocean Conference in Oman in February 2025. Yunus expressed interest in visiting India but did not receive a favourable response from New Delhi [Bhattacherjee 2025, 25 March].

Later, in a message on Bangladesh Day in March 2025, Modi wrote to Yunus: «The spirit of the Liberation War of Bangladesh continues to remain a guiding light for our relationship...We remain committed to advancing this partnership, driven by our common aspirations for peace, stability, and prosperity, and based on mutual sensitivity to each other's interests and concerns» [The Hindu 2025, 27 March].

Modi and Yunus met during the Bay of Bengal Multi-Sectoral Technical and Economic Cooperation Summit in Bangkok on 3 and 4 April 2025. Despite this meeting, bilateral ties between India and Bangladesh have deteriorated. In an exclusive interview with Rahul Joshi from *Firstpost*, Indian Defence Minister Rajnath Singh stated: «We do not seek tense relations with Bangladesh, but Yunus should be cautious with his statements» [Firstpost 2025, 7 November]. In response, Bangladesh's foreign ministry spokesperson SM Mahbubul Alam said: «We consider that Mr. Singh's comments are incorrect and unhelpful and not respectful of propriety and diplomatic nicety» [Prothom Alo 2025, 9 November].

More than anything, India-Bangladesh ties are troubled because of New Delhi's sheltering of Hasina. After the 17 November verdict, Bangladesh's Foreign Affairs Adviser Md Touhid Hossain told reporters: «We will officially communicate our position to India. Whether the letter goes tonight or tomorrow, it will certainly go» [BSS 2025, 17 November]. Regarding earlier letters sent to India, he stated: «Now the situation is different... the judicial process has been completed and they have been convicted» [BSS 2025, 17 November].

In an earlier statement on Hasina's case, the Foreign Ministry «urged New Delhi to immediately hand over fugitive convicts Hasina and Kamal after the International Crimes Tribunal found them guilty of the July killings and awarded them death sentences, describing the move as India's treaty-bound obligation. The existing bilateral extradition agreement between Bangladesh and India marks the transfer of the two convicts a compulsory responsibility for New Delhi» [BSS 2025, 17 November]. The Ministry added that «granting shelter to individuals convicted of crimes against humanity would be considered an unfriendly act and a disregard for justice» [BSS 2025, 17 November].

In an initial reaction on ICT verdict on Hasina, India stated that it had «noted the verdict» and that New Delhi «remains committed to the best interests of the people of Bangladesh, including in peace, democracy, inclusion and stability in that country. We will always engage constructively with all stakeholders to that end» [GoI 2025].

Anti-India sentiments heightened again after the 32-year-old student leader, Sharif Osman Hadi, succumbed to his injuries in a Singapore

hospital on 18 December 2025. Hadi had been shot by masked men in Dhaka and was sent to Singapore for treatment. He served as spokesperson for Inquilab Mancha (Platform for Revolution) and was critical of India. Following Hadi's death, his supporters carried out attacks on some Hindus. A Hindu worker, Dipu Chandra Das, was lynched by a mob on 18 December 2025 on charges of blasphemy. However, police found no evidence of Dipu making religiously offensive remarks. It was a dispute with his colleagues in the factory that cost Dipu his life [Hindustan Times 2025, 23 December].

Protesters also vandalized and looted the offices of Bangladesh's prominent newspapers – *The Daily Star* and *Prothom Alo*. They accused these publications of «setting the ground» for Hadi's killing, calling them «Delhi's lapdog» and «Sheikh Hasina's enabler» [*The Daily Star* 2025, 20 December]. Cultural institutions – Chhayanaut-Sanskriti Bhaban – also came under attack, and the central office of the cultural organization Udichi Shilpi Gosthi was torched by protesters.

Attacks on Hindus in Bangladesh attracted strong reactions from Hindu groups in India. Under pressure from Hindu seers, groups, and a former Bharatiya Janata Party member of the Uttar Pradesh legislative assembly, Sangeet Som, Bangladeshi fast bowler Mustafizur Rahman, who was bought by the Indian Premier League (IPL) franchise Kolkata Knight Riders (KKR) for the 2026 edition of the tournament, was released. This development further strained ties between the two countries. Following Mustafizur Rahman's episode, the Bangladesh Cricket Board requested the International Cricket Council to shift the country's scheduled matches in the T20 Cricket World Cup, jointly hosted by India and Sri Lanka, outside India. The interim government also decided not to broadcast the future IPL matches in Bangladesh.

These developments occurred when the Indian state was seeking to engage with those who could emerge as important political actors after the 2026 national elections in Bangladesh. For instance, when Khaleda Zia was seriously ill, India's Prime Minister Narendra Modi posted on his X (formerly Twitter) handle: «Deeply concerned to learn about the health of Begum Khaleda Zia, who has contributed to Bangladesh's public life for many years...India stands ready to extend all possible support, in whatever way we can». She did not recover and died on 30 December 2025. Upon her death, Modi sent a condolence letter that was handed to her son, Tarique Rahman, by S. Jaishankar, who represented New Delhi at Khaleda's funeral.

The two countries also decided to renew the GWT, which expires in December 2026. On 1 January 2026, India and Bangladesh began joint water measurement at a point 3,500 feet upstream of the Hardinge Bridge on the Padma River in Bangladesh and at Farakka on the Ganga River in India [Topu 2026, 1 January].

8. *Bangladesh's Ties with China and Pakistan*

The interim government developed close ties with China and Pakistan. In November 2024, a four-member BNP delegation travelled to China at the invitation of the Communist Party of China. China's Foreign Minister Wang Yi met Bangladesh's Foreign Affairs Advisor Touhid Hossain in January 2025. In February 2025, a 22-member delegation from eight Bangladesh political parties embarked on a 13-day trip to China [*The Daily Star* 2025, 24 February]. Yunus then visited China from 26 to 29 March 2025. In an interview with *Xinhua*, Yunus appreciated his country's ties with China and underscored Beijing's economic role in Bangladesh [*Xinhua* 2025, 29 March].

During Yunus's visit to Beijing, China and Bangladesh signed an agreement on economic and technical cooperation, eight memorandums of understanding, and made five announcements of cooperation on investment infrastructure and technology. The post-Hasina days also witnessed engagement between Islamists and the Chinese government. First, in November 2024, a 14-member delegation comprising BJI and Islami Chhatra Shibir, along with four other Islamic organizations, visited China [*The Daily Star* 2024, 28 November]. Second, in May 2025, BJI's Nayeb-e-Ameer Dr. Syed Abdullah Mohammad Taher met and exchanged views with Chinese Ambassador to Bangladesh Yao Wen at the Chinese Embassy in Dhaka [BSS News 2025, 7 May]. Third, on 10 July 2025, an eight-member BJI delegation led by Ameer of Jamaat Dr. Shafiqur Rahman travelled to China for a five-day visit [Jamaat-e-Islami 2025].

Although Hasina also maintained good ties with China, a new development following her departure is the resetting of relations between Islamabad and Dhaka. In April 2025, after a 15-year gap, Pakistan's Foreign Secretary Amna Baloch visited Dhaka for foreign office consultations. On 23 July 2025, Pakistan's Interior Minister Mohsin Naqvi visited Dhaka, and on 21 August 2025, Pakistan's Minister for Commerce Jam Kamal Khan made a trip to Dhaka. The most significant visit was by Pakistan's Deputy Prime Minister and Foreign Minister Ishaq Dar to Bangladesh from 23 to 24 August 2025 – the first by a Pakistani foreign minister in 13 years. Hina Rabbani Khar was the last Pakistani foreign minister to visit Dhaka in November 2012 to invite Hasina to the Developing-8 countries' summit in Islamabad.

Dar met with a delegation from the National Citizen Party, led by General Secretary Akhtar Hossain; BJI members, led by Naib Amir (Deputy Head) Syed Abdullah Mohammed Taher; and leaders from the BNP. He also met Muhammad Yunus, BNP Chairperson Begum Khalida Zia, and the Amir of Bangladesh BJI, Shafiqur Rehman [Ministry of Foreign Affairs, Government of Pakistan 2025].

The two countries signed agreements on visa abolition for diplomatic and official passport holders and four MoUs: establishing a joint working group on trade; cooperation between the Institute of Strategic Studies in Is-

lamabad and the Bangladesh Institute of International and Strategic Studies in Dhaka; cooperation between the Foreign Service Academy of Pakistan and the Foreign Service Academy of Bangladesh; and cooperation between the Associated Press of Pakistan and Bangladesh Sangbad Sangstha. They also signed a cultural exchange program [Ranjan 2025, 25 August].

Military visits between the two countries have also increased. In October 2025, General Sahir Shamshad Mirza, Chairman of the Joint Chiefs of Staff Committee, visited Dhaka. On 10 November 2025, Pakistan Navy Chief Admiral Naveed Ashraf arrived in Dhaka on a three-day visit – the first visit by a Pakistani Navy Chief to Bangladesh since the 1971 Liberation War. The Bangladesh Navy had earlier participated in the joint naval exercise AMAN, held in Karachi and the North Arabian Sea in February 2025. Before Ashraf 's visit to Bangladesh on 8 November, the Pakistan Navy ship PNS SAIF arrived in Chattogram for a four-day goodwill visit [*The Daily Star* 2025, 10 November].

Despite efforts to reset ties, several unresolved historical issues remain between the two countries. First, Bangladesh is demanding US$4.52 billion in financial claims from Pakistan to cover its share of pre-1971 assets, including foreign aid, unpaid provident funds, and savings instruments. Second, it is seeking a formal apology for the 1971 atrocities committed by the Pakistan Army. Finally, Dhaka wants Pakistan to repatriate approximately 324,000 stranded Pakistanis living in Bangladesh [Ranjan 2025, 25 August].

9. *Conclusion*

This article discusses how, throughout 2025, the country debated the reforms needed to improve the functioning of its political, administrative, and economic organisations. Hasina's administration was also accused of carrying out extrajudicial killings and custodial deaths. However, the situation has not changed substantially. According to data from Ain o Salish Kendra (ASK), between January and November 2025, 29 people were killed extrajudicially or died due to torture in custody. During the same period, 28 convicts and 55 under-trial prisoners died in jail [Khan 2025, 10 December].

As discussed in this article, for a long time, a segment of Bangladeshi society, a section of the political class, and the opposition were dissatisfied with Hasina's close ties with India. Therefore, it was predictable that any opposition figure replacing Hasina would not maintain such close relations with India. The interim government and many others in Bangladesh are particularly unhappy with India's decision to shelter Hasina.

The interim government and other political parties have expressed their desire to strengthen ties with China and reset relations with Pakistan, as discussed in this article. On 19 June 2025, a China-Pakistan-Bangladesh trilateral Vice Foreign Minister/Foreign Secretary meeting was held in Kun-

ming, China, where participants agreed to advance cooperation «based on the principles of good-neighborliness, equality and mutual trust, openness and inclusiveness, common development and win-win cooperation» [Ministry of Foreign Affairs, People's Republic of China 2025, 20 June].

The year 2025 ended with the death of Khaleda Zia and the return of her son, Tarique Rahman, to Dhaka after 17 years of self-exile in London. In the February 2026 elections, the BNP secured a landslide victory. Now, the onus lies on the Tarique Rahman government to implement reforms, shape the country's politics and society, and determine the foreign policy trajectory.

Bibliography

Abbas, Md, 2025, 1 November, 'Tenure ends, full consensus still elusive', *The Daily Star*.

Ahmed, Tanim, 2025, 5 November, 'An informed referendum or a mere rubber-stamp?' , *The Daily Star*.

Ahsan, Syed Badrul, 2022, 3 April, 'The sordid tale of a ruthless dictator', *Bangladesh Awami League*.

Al Jazeera 2025, 1 June, 'Bangladesh Supreme Court lifts ban on Jamaat-e-Islami party'.

Al Jazeera 2024, 25 July, 'Bangladesh curfew eases: What's opened, what's still shut'.

Alamgir, Mohiuddin, 2025, 5 November, 'Charter, RPO row deepens amid buck-passing', *The Daily Star*.

Almamun, Zunaid, 2020, 'Political Violence in Bangladesh: Explaining the Role of State', MS Thesis, Illinois State University.

Amnesty International, 'Bangladesh 2024'.

Anti-Corruption Commission Reform Commission, 15 January 2025.

Bhattacherjee, Kallol, 2024, 28 August, 'Bangladesh revokes ban on Jamaat-E-Islami Bangladesh, its students wing Islami Chhattra Shibir', *The Hindu*.

Bhattacherjee, Kallol, 2025, 25 March 'Yunus wanted to visit India before China, but did not receive positive response: Press Secretary Shafiqul Alam', The Hindu.

Bhaumik, Subir 2017, 4 April 'Is Bangladesh winning the war against militants?'

BNP's Election Manifesto 2026.

BSS News 2025, 6 August, 'Full text of CA's address to Nation marking July Mass Uprising Day'

BSS News 2025, 15 August, 'Nahid rejects "Father of the Nation" title for Sheikh Mujib, calls Mujibism «fascist ideology»'.

BSS News 2025, 25 September, 'Parwar stresses interfaith harmony for a humane Bangladesh'.

BSS News 2025, 17 November, 'Dhaka to send letter seeking repatriation of Hasina, Kamal from India: Touhid'.

BSS News 2025, 7 May, 'Jamaat leader Dr Taher meets Chinese Ambassador Yao Wen'

Business in Bangladesh, 2025, 30 October 'National Citizen Party (NCP) Calls for Legal Framework to Implement July Charter'.

Chatterji, Joya, 1999, 'The Fashioning of a Frontier: The Radcliffe Line and Bengal's Border Landscape, 1947'. *Modern Asian Studies*, 33(1), pp. 185-242.

Chatterji, Joya, 'The Spoils of Partition: Bengal and India, 1947-1967'. Cambridge. Cambridge University Press, 2007.
Chowdhury, Iftekhar Ahmed, 2016, 4 July, 'Terror in Dhaka: Fundamentalism Spreads its Deadly Wings', ISAS Brief No 439.
Chatterjee, Partha, The Nation and its Fragments, Princeton University Press, 1993.
Crispin, Shaw, 2017, 21 April, 'Hasina, under political duress, looks to the right' Asia Times.
Constitution Reform Commission, Government of Bangladesh.
Codron, Jérémie, 2007, 'Putting Factions 'Back in' the Civil-Military Relations Equation: Genesis, Maturation and Distortion of the Bangladeshi Army', South Asia Multidisciplinary Academic Journal. https://doi.org/10.4000/samaj.230
Cagaptay, Sonar, 2016, July 8, 'Muslims versus Islamists', *The Washington Institute for Near East Policy.*
Das, Shuva, 2025, 4 April, 'Sheikh Hasina's Rule in Bangladesh: The Road to Authoritarianism' Oxford Political Review.
Demands for Bangladesh', 1971, Case for Bangladesh, Communist Party Publication No. 7, New Delhi.
Dhaka Tribune, 2025, 5 November, 'Ireland offers support for police reform in Bangladesh'.
Dhaka Tribune, 2025, 30 April, 'Supreme Court stays HC bail of Chinmoy Das'.
Dhulipalla, Venkat, Creating A New Medina: State Power, Islam, and the Quest for Pakistan in Late Colonial North India. New Delhi: Cambridge University Press, 2015.
Firstpost, 2025, 7 November, 'Yunus should watch his words: Rajnath Singh says India does not want tiff with Bangladesh'.
[GoI 2025] Government of India, Ministry of External Affairs, *Statement regarding the recent verdict in Bangladesh*, 17 November 2025.
[GoI 2024] Government of India, Ministry of External Affairs, *Statement on attack on Puja Mandap and desecration and damage to Hindu temples in Bangladesh*, 12 October 2024.
Hindustan Times, 2025, 23 December, 'Factory dispute', 'he apologised, wasn't spared': Chilling twist in Bangladesh lynching case'
[History 2025] *History of Bangladesh: World Civilisation, Classes Nine and Ten. Revised for the year 2025*, Dhaka: National Curriculum and Textbook Board, 2025.
IANS Live, 2025, 5 November, 'Bangladesh: Yunus govt voices concern over rift among political parties on reforms'.
Jalal, Ayesha, *The Sole Spokesman: Jinnah, The Muslim League and the Demand for Pakistan,* Cambridge: Cambridge University Press, 1994.
[Jamaat-e-Islami 2025] 'A high-level delegation of Jamaat leaves for China at the Invitation of Chinese Government', *Bangladesh Jamaat-e-Islami*, 10 July 2025.
Kalerkantho, 2025, 28 July, 'The July Charter draft contains 7 commitments' .
Khaled, Khandaker Lutful, 2025, 5 November, 'No songs, no play: A policy against our children', *The Daily Star*.
Khan, Mohammad Jamil, 2025, 10 December, 'Extrajudicial killings, custodial torture still stalk Bangladesh', *The Daily Star*.
Lorch, Jasmin, and M. Abul Kalam Azad, *Women and Terrorism in Bangladesh: Women's Involvement and Roles in Jihadist Networks and the Problem of Human Rights Violations in Counterterrorism*, Baden-Baden: Nomos, 2023.
Maniruzzaman, Talukder, 1976, 'Bangladesh in 1975: The Fall of the Mujib Regime and Its Aftermath', *Asian Survey*, 16(2), pp. 119-129.

Mahmud, Faisal, 2024, 5 August, 'Sheikh Hasina: A critical misstep and the end of 15 years ruling Bangladesh', *Al Jazeera*.
Ministry of Education, Government of People's Republic of Bangladesh, 'National Education Policy 2010'.
Ministry of Foreign Affairs, Government of Pakistan 2025, 28 August, *Deputy Prime Minister and Foreign Minister's Visit to Bangladesh*.
Mishra, Vibhu, 2024, 24 January, 'Bangladesh: Citing «dangerous decline» of human rights, experts urge key reforms', *United Nations: UN News*.
Parvez, Saimum, 2024, 6 June, 'India's role in Bangladesh elections sparks outrage' *East Asia Forum*.
Paul, Priyam, 2025, 25 January, 'When a government refuses to go, people accept it until they don't', *The Daily Star*.
Population and Housing Census 2022, *Population and Housing Census 2022: Preliminary Report, Statistics and Informatics Division. Ministry of Planning. Government of the People's Republic in Bangladesh*.
Ranjan, Amit, 2019, *Partition of India: Postcolonial Legacies*, London & New York: Routledge (ch. 2, *The Idea of Partition*).
Ranjan, Amit, 2025, 15 January, 'Reforming Bangladesh's Public Administration', *The Daily Star*.
Ranjan, Amit, 2025, 25 August, 'Bridges and Barriers: Ishaq Dar's Visit to Bangladesh', *ISAS, Briefs*.
Ranjan, Amit, 2025, 20 November, 'The Hasina Verdict and the Extradition: Implications for Dhaka-Delhi Relations', *ISAS Brief*s.
Ranjan**,** Amit, and Dhimoyee Banerjee, 2025, 4 September, 'Bangladesh Erases Mujibur Rahman's Legacy', *The Diplomat*.
[Reforms 2025] Government by People's Republic of Bangladesh, *Reforms by the Interim Government of the People's Republic of Bangladesh as of June 15, 2025*.
Shawon, Ali Asif, 2024, 25 June, 'PM Hasina bins criticism of selling country to India', *Dhaka Tribune*.
Shetu, Arafath, 2025, 18 September, 'From Saudi to Indonesia, music stays in Muslim countries' classrooms', *The Daily Star*.
Sujan, Moudud Ahmmed 2025, 7 February, 'Why a Bangladesh mob burned down home of independence icon Mujibur Rahman', *Al Jazeera*.
Talbot, Ian, 'The Growth of the Muslim League in the Punjab, 1937-46', in Mushirul Hasan, *India's Partition: Process, Strategy and Mobilization*, New Delhi: Oxford University Press, 2001, pp. 233-257.
Tanima, Farzana Aman, and Sendirella George, 'Reclaiming Resistance: A Commentary on Student Movements, Counter Accounting, and the Ousting of Sheikh Hasina's Autocratic Regime in Bangladesh', *Social and Environmental Accountability Journal*, 2025, 45(1), 1-13.
The Business Standard 2025, 13 February, 'Seven-member National Consensus Commission formed, Prof Yunus made chair'.
The Business Standard 2025, 26 March, 'True independence not achieved in '71, 'second liberation' came in '24: Jamaat's Parwar'.
The Business Standard 2025 ,05 November 'Govt decides not to allow Zakir Naik's visit before elections'
The Daily Star 2024, 22 July, 'SC verdict on govt jobs: 93pc on merit, 7pc from quota'
The Daily Star 2024, 7 August, 'Attacks on Hindu houses, temples, businesses go on'.
The Daily Star 2024, 8 August, 'Cultural heritage under attack'.

The Daily Star 2024, 27 November, 'Islamic party leaders to visit China'
The Daily Star 2025a, 16 January, 'A new chapter for the nation begins'.
The Daily Star 2025b, 16 January, 'Constitution reform: Sweeping changes in constitution'.
The Daily Star 2025, 24 February, 'Members of 8 bodies head to China today'.
The Daily Star 2025, 11 October, 'Include proposal of PR system in the referendum' .
The Daily Star 2025, 17 October, '24 parties sign July Charter at Jatiya Sangsad Bhaban'.
The Daily Star, 2025, 5 November, 'TIB calls for revisions to draft Police Commission Ordinance 2025'.
The Daily Star 2025a, 6 November, 'Hasnat welcomes not nominated BNP leaders to join NCP'.
The Daily Star, 2025b, 6 November, 'Referendum must be held on election day: Fakhrul'.
The Daily Star, 2025, 8 November, 'Udichi launches nationwide protest over cancellation of music, PE teacher recruitment'.
The Daily Star 2025, 20 December, 'Unbowed'.
The Daily Star 2025, 10 November, 'Pakistan navy chief visits Bangladesh for the first time since 1971'.
The Daily Star 2026, 14 February, 'National Elections'.
The Economist 2024, 6 August, 'Bangladesh has achieved its second liberation, says Muhammad Yunus'.
The Hindu 2013, 5 August, 'Bangladesh SC rejects Jamaat's plea against disqualification'.
The Hindu 2025, 27 March, 'PM Modi pens letter to Muhammad Yunus on Bangladesh National Day: 'Mutual sensitivity to each other's interests and concerns'.
The Hindu 2025, 17 November, 'Bangladesh's Sheikh Hasina condemns guilty verdict in crimes against humanity trial'.
The Wire, 2024, 21 December, 'Highly Exaggerated': Dhaka on MEA's Data on Attacks on Hindus, Other Minorities in Bangladesh'
Tieri, Silvia, and Raian Hossain, 'Bangladesh 2023-2024: From democratic backsliding to the Monsoon Revolution, towards democratic transition', *Asia Maior*, XXXV/2024, pp. 267-290.
Topu, Ahmed Humayun Kabir, 2026, 1 January, 'Bangladesh, India begin joint water measurements as Ganges Treaty enters final year', *The Daily Star.*
United Nations Human Rights Office 2025, 'Human rights violations and abuses related to the protests of July and August 2024 in Bangladesh'.
[Unity Council 2025] Bangladesh Hindu Buddhist Christian Unity Council, *Removal of All Forms of State Discrimination, Excluding Religious and Ethnic Minorities, Nearing Completion of Constitutional and Reform Activities*, Press Conference, 10 July 2025.
Xinhua 2025, 29 March, 'Interview: Bangladesh-China relations to enter new stage, says Bangladeshi interim gov't chief adviser Yunus'.
Yunus, Muhammad, 2024, 28 August, 'Professor Yunus' Address to the Nation', *Protect Yunus*.

India 2025: Economic paradoxes, political recovery, and the battle for electoral integrity

Diego Maiorano and *Raghaw Khattri*

University of Naples L'Orientale
dmaiorano@unior.it

Independent Researcher
khattri@nus.edu.sg

This article analyses political and economic developments in India during 2025. The year witnessed the BJP's political consolidation following the 2024 setbacks, cemented by decisive victories in the Delhi and Bihar state elections. The government projected stability by managing security crises with strategic dexterity. Economically, while headline GDP growth remained robust, the outlook was complicated by a trade war with the US and concerns over data integrity raised by the IMF. Crucially, the legitimacy of the electoral process became a central conflict; while the opposition's «Vote Chori» campaign failed to prove rigging, the Election Commission's controversial management of voter rolls deepened the erosion of democratic trust.

Keywords – Indian domestic policy; electoral integrity; state elections; Indian economy; democracy.

1. *Introduction*

The year 2025 was eventful in India. The most tragic event certainly was the brutal killing of 28 people in Pahalgram, in Jammu and Kashmir on 22 April 2025 by a terrorist commando, almost certainly coming from Pakistan. What upset the most India's (and the world's) public opinion was that the terrorists asked the religion of the people they had in front and decided to spare the lives of women, children and Muslims, while killing in cold blood everyone else. The Indian government's reaction was to immediately point the finger towards Pakistan, accusing the government of complicity (even though evidence has not been revealed). India then reacted militarily, which caused a four-day war with Pakistan, after which a ceasefire was reached – and held for the remaining of the year. The impact of the Pahalgram strike and its consequences are analysed in-depth in this issue of Asia Maior [Hall 2026].

Delhi was also stricken by another terrorist strike on 10 November, when a car exploded near the Red Fort in the capital. The damage was relatively limited – 15 people died and more than 20 were injured – considering that the area was extremely busy at the time of the blast. What was particularly interesting was the reaction of the Indian government, which was completely different from the one it had had in April. First, the gov-

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

ernment did not accuse Pakistan or anyone else, and it exercised caution and restraint. The authorities focused their investigation on a network of Indian Muslim men, with connections to a medical college at the outskirts of Delhi. Very little has emerged on the case, which was quickly superseded by the media cycle. To date, 7 people have been arrested, but a clear outline of what exactly happened and why has not emerged yet.

What is important about the Delhi blast is that it directly contradicted a fear that emerged after the Pahalgram attack, namely that New Delhi, by announcing and implementing a new anti-terrorism doctrine according to which each attack will be followed by military action, had put itself in the corner as public opinion would have expected India to launch strikes after any major attack. However, the different reaction to the two attacks – military action after Pahalgam, police investigation after the Delhi blast – demonstrated that the government was able to control the narrative and to decide when and how to react, even without providing any substantial evidence of external complicity (as in the case of the Pahalgam attack). Politically, both episodes showed the Modi government to be firmly in control of the situation and comfortably able to absorb and manage shocks. In other words, during 2025, the BJP-led government seemed to have recovered from the 2024 electoral verdict – when it had lost its absolute majority – and found a way back in control of the political scene.

This was also evident from the results of two important state elections, for the territory of Delhi (February) and Bihar (November). The BJP dislodged the Aam Aadmi Party (AAP) in the capital and retained control of Bihar, actually increasing its seat share to become the state's largest party. The electoral results are examined in section 4.

Additionally, the BJP survived without damage a sustained attack by opposition parties, in particular the Congress. Its leader, Rahul Gandhi, in a series of press conferences, presented «evidence» (not very convincing, as we shall see in section 3) that the government was involved in a conspiracy to destroy India's democracy by rigging the elections. While Gandhi did show that India's electoral procedures need serious reform to ensure electoral integrity, he failed to provide a «smoking gun» and, more importantly from his point of view, to convince voters that his party was the last obstacle standing between the government and the complete destruction of the democratic system.

Stability was also evident in India's economic outlook, which presented a somewhat usual combination of strong economic growth coupled with worrying signals of distress. These dynamics are analyzed is section 2, along with the internal repercussion of Donald Trump's trade war with India and structural reforms adopted by the government, at least partly to offset the negative consequences of trade uncertainties.

2. *The economic outlook*

In 2025, the Indian economy presented what has become a familiar look. On the one hand, GDP growth remained very robust, outpacing virtually all large economies in the world. On the other hand, however, beneath the surface, several signs signal that India's economic outlook is vulnerable.

The GDP growth for the first two quarters of the fiscal year 2025/26 (April-June and July-September 2025) surprised analysts by clocking in at 7.8% and 8.2%, rising to its highest rate over the previous six quarters [Ohri and Kumar 2026, 28 November]. The data surpassed predictions of most analysts (including the Reserve Bank of India, RBI), which had forecasted a slowing down of the economy in the wake of the imposition of high tariffs on Indian goods by the US administration [Hall 2026]. However, the Indian economy, driven by robust consumer spending, performed better than expected. Additionally, the RBI signalled confidence in price stability, lowering its inflation forecast for FY26 to 2% [*TOI Business Desk* 2025, 5 December].

In other words, these data suggest that India in 2025 found itself in a sweet spot: robust growth is accompanied by price stability and low external deficit. As suggested by former RBI governor Duvvuri Subbarao, the present situation – different from past cycles of high growth-high inflation followed by phases of slower growth and lower prices – might be due to better accounting mechanisms adopted over the last decade, more predictable and transparent monetary policy and a credible medium-term fiscal consolidation path, along with structural reforms such as the introduction of the Goods and Services Act in 2017 or the new Bankruptcy Code of 2016. However, Subbarao himself points at some fragilities, from the persistence of the decades-long inability of the Indian economy to generate enough jobs, the persistence of low private investments, low capital inflows and the fact that inflation might be under control largely due to favourable external conditions (volatile by definition) [Subbarao 2026, 5 January].

There are, however, other signs that the economy might not be performing as good as headline numbers suggest. First, the glowing narrative of being the «world's fastest-growing large economy» faced significant credibility challenges regarding the data themselves. In November 2025, the International Monetary Fund (IMF) downgraded India's national accounts statistics – specifically the GDP and gross value-added series – to a «C» grade, the second-lowest on its scale. The IMF highlighted methodological weaknesses that «hamper surveillance», specifically pointing to the outdated base year of 2011-12 and the continued reliance on wholesale price indices for deflators in the absence of producer price indices [Raghavan 2025, 27 November]. In fact, recent GDP growth figures have been disputed pre-

cisely on the deflator used, which many analysts believe was artificially low [Upasani 2025, 2 September].

It should be noted that this is not the first time that India's GDP figures have been questioned. In 2019, former Chief Economic Advisor of India, Arvind Subramanian, argued that growth figures between 2011/12 and 2016/17 had been inflated by about 2 percentage points per year, due to changes in the methodology used to calculate the GDP [Subramanian 2019]. In early 2026, following the release of the new GDP series with 2023/24 as the base year, Subramanian and his coauthors updated their estimates and argued that India's GDP overestimation persists. This means, according to the authors, that India's macroeconomic data have been overtly optimistic data for two full decades [Anand, Felman and Subramanian 2026].

In short, while clearly the Indian economy is growing fast, knowing precisely how fast remains elusive, with the available data. Certainly, other indicators are in contrast with the image of a booming economy. For instance, corporate revenues decelerated sharply over the last year; the brain drain has accelerated over the last decade, with more than 675,000 Indians migrating annually, a figure which almost twice as large as in the 2010s; employment growth remains very weak; Foreign Direct Investments have collapsed to 0.1% of the GDP and the stock market has performed poorly (and witnessed a record net capital outflows of nearly US$ 19 billion) [Sharma 2024, 11 January]. Furthermore, the Indian rupee depreciated by 5% during 2025, reaching an all-time low of 90 rupees for 1 US$.

2.1. *The tariff war*

The trade relationship with India's largest partner, the United States, deteriorated significantly during 2025. By August 2025, the US administration had imposed tariffs as high as 50% on Indian goods, officially penalising New Delhi for its continued purchase of Russian oil and its perceived alignment with the BRICS bloc. Since, as repeatedly pointed out by the Minister of Foreign Affairs, S. Jaishankar, the imposition of tariffs on India appeared not justifiable and discriminatory, there have been speculation about the real reason for the punitive measure, attributing them to geopolitical calculations [Yang 2025, 12 August] or India's denial of Trump's role in brokering a ceasefire between India and Pakistan in May 2025 [Jacob 2025, 14 August].

These tariffs, among the highest in the world, targeted critical sectors including steel and aluminium, where duties were doubled to 50%. The impact was immediate and severe. US goods imports from India fell by nearly 20% in April alone, amidst confusion over the new rates. However, by the end of the year, Indian exports to the US seemed to have had no effect at all. In fact, according to data released by the Ministry of Commerce in November, exports grew by almost 20% year-on-year, driven particularly by strong exports towards the US (+22% year-on-year) [Siddiqui 2025, 17 December].

Of course, it might be that the new tariffs will take a certain amount of time to be reflected in trade figures, but for the time being, the effect has been virtually null.

However, high tariffs were not the only measure taken by the US administration against India. In September, President Trump introduced a steep US$ 100,000 fee for requesting a H-1B visa to work in the US, a move widely interpreted as a blow to India's IT Industry. In fact, over 70% of H-1B visa holders are Indian citizens [*The Economic Times* 2025, 20 September]. However, the move could potentially have positive repercussions for India, as it should act as a partial restraint for mass migration of skilled people to the US – a brain drain which accelerated massively over the last decade. It is likely that US firms will be willing to pay the fee for recruiting top talent from India, but the fee will act as a disincentive for attracting a wide range of professionals (including in the academic sector), who might then decide to remain in India (or go somewhere else).

The government unintentionally responded to these external pressures in the Union Budget presented on February 1, 2025, a few months before the US punitive measures were announced. Prime Minister Narendra Modi characterised it as the «most middle-class friendly budget in India's history», a clear signal of the government's intent to shore up its core political constituency amidst slowing consumption [Palit 2025, 4 February]. Of course, it is somewhat improper to talk about a «middle class» in the Indian context, as what is generally meant by this term (at least in the context of the Budget) is those who pay income tax, who belong to the top 10% of the income scale.

The central pillar of the budget was a significant overhaul of the personal income tax regime. The exemption limit was raised substantially, ensuring that annual incomes up to ₹1.2 million would no longer be taxed, a 70% increase from the previous threshold of ₹700,000. The objective was clearly to boost demand and consumption, with an eye to the Delhi elections, which were to begin just a few days after the presentation of the Budget. Delhi is arguably the most «middle class» state in the whole country. Despite this populist tax cut, which entailed foregone revenue of approximately ₹1 trillion, the government adhered to fiscal prudence, maintaining the fiscal deficit target of 4.9% for FY25 and projecting a consolidation to 4.4% for FY26 [Rai 2025, 4 February].

2.2. *Reforming taxation and labour*

2025 was also marked by two important structural reforms, which aimed at boosting internal demand and promoting investments, particularly in manufacturing. The first of these reforms – a comprehensive overhaul of the Goods and Services Tax framework – was announced in August 2025, with a clear intention to stimulate economic growth via internal demand, in the wake of high tariffs imposed by the US administration.

The reform compressed the previous multi-tier rate structure into three primary slabs: a 5% «Merit Rate» for essentials, an 18% «Standard Rate» for most goods, including consumer durables and automobiles, and a 40% «Special Rate» for «sin» goods and luxury items. The reform reduced tax rates on 357 items, moving daily-use products like food items and personal care goods into the lowest 5% slab. Even luxury items such as mid-sized SUVs saw an effective tax reduction, moving from a complex structure of about 45-50% (including cess) to a flat 40% [Rai 2025, 12 September].

The immediate political and economic goal was to engineer a «savings festival»[24]. Government officials and early industry data suggested success, reporting record-breaking sales during the Navratri festive season, with some retailers claiming growth between 25% to 100%. However, a closer examination reveals a more nuanced reality. Facing uncertain demand, many dealers and manufacturers absorbed the GST cuts by removing previously available «dealer discounts» of 10-15%[26]. Consequently, while the tax component fell, the final price paid by the consumer often remained unchanged, suggesting that the «consumption boom» touted by the state may have been partly optical or driven by supply-side adjustments rather than reform-induced demand growth [Kotasthane 2025, 8 October]. Overall, it is probably good news that the GST reform did not have an immediately visible effect, as it signals that internal demand remains robust.

While the GST reforms focused on consumption, the government also sought to reform the supply-side by implementing the four Labour Codes in late 2025. These codes – on Wages, Industrial Relations, Social Security, and Occupational Safety – subsumed 29 existing, often archaic, labour laws into a simplified framework effective from November 21, 2025. The reformed codes were originally announced in 2019 and 2020 but left unimplemented. The announcement to take the reform ahead represents a response to a decades-old demand by business groups and international institutions, which had argued, somewhat without providing very convincing evidence, that the restrictive labour laws were responsible for the limited role of the manufacturing sector in the Indian economy.

This reform represents a shift in the political economy of Indian labour. By merging laws and simplifying compliance, the state aims to reduce the «regulatory cholesterol» that has historically incentivised informal hiring [Palit 2025, 26 November]. Politically, the implementation signals a decline in the influence of trade unions, which have historically resisted such consolidation.

However, the reforms also attempt to modernise social security by extending protections to the «new» sectors of the economy. For the first time, gig workers and platform workers – groups largely outside the ambit of traditional unions – are promised legal recognition and some degree of social security benefits.

Being labour a concurrent subject under the Constitution of India, much will depend on how the codes will be implemented. Some BJP-ruled states had started drafting rules even before the formal announcement, while opposition-ruled states like West Bengal, Punjab, Kerala and Karnataka might drag their feet.

In summary, the Indian economy in 2025 exhibited strong headline growth figures, aided by fiscal support for the middle class and structural simplification of the tax regime. However, this growth story is complicated by external fragility, specifically the tariff war with the United States, and internal questions regarding data integrity as flagged by the IMF.

Moreover, the fruits of this growth remain unevenly distributed. The *World Inequality Report 2026* highlighted that inequality in India remains among the highest globally, with the top 1% of the population holding 40% of the country's wealth, while the top 10% command 58% of the national income. The income gap between the top decile and the bottom half has shown no sign of narrowing over the last decade.

3. *The battle over the rules of the game*

A large part of 2025 was marked by controversies over the fundamental «rules of the game». In fact, the legitimacy of the electoral process became a central axis of political conflict between the opposition parties, the government and key safeguard institutions. While not completely a novelty in the Indian political landscape, the contestation by opposition leaders of the integrity of the electoral process escalated the fears of the erosion of democracy in Modi's India to a higher level [Manor 2025]. According to the narrative pushed by opposition parties throughout much of 2025, the erosion of democracy was not limited to what happens between the elections – a key feature of electoral autocracies, a category to which India belongs, according to the V-Dem institute [V-Dem 2025, 6 March] – but it reached the heart of India's democratic system: the electoral process itself. This section analyses the opposition's «Vote Chori» (Vote Theft) campaign, the controversies surrounding the Special Intensive Revision (SIR) of the electoral rolls in Bihar, and the subsequent national rollout of this exercise. It argues that evidence of centralised, outcome-determining «rigging» did not emerge, which makes the opposition claims highly exaggerated. However, what the Vote Chori campaign demonstrated is that the body tasked with guaranteeing the fairness and regularity of the elections – the Election Commission of India (ECI) – contributed to promoting a loss of faith in India's democratic process and that the electoral rolls can be and are seriously compromised and are riddled with mistakes, even though this does not seem to have an impact on electoral outcomes.

Throughout 2025, the Congress and some of its allies in the INDIA bloc alleged that the BJP, through its control of the ECI, had been able to

manipulate the electoral rolls and manufacture majorities in both national and state elections. Essentially, the Congress accused the BJP of rigging the elections.

The opposition's argument rested on specific statistical anomalies and procedural opacity that they argued could not be dismissed as mere administrative error. The Maharashtra Assembly elections became a primary case study for this narrative. Rahul Gandhi highlighted a staggering discrepancy of approximately one crore voters (10 million) between the Lok Sabha and Assembly polls. He alleged that while the opposition coalition had swept the state in the Lok Sabha elections just four months prior, the subsequent Assembly elections saw a reversal where the BJP swept constituencies that had witnessed a surge in new voter enrolments. The explicit claim was that «elections were stolen» through the targeted addition of dubious voters in key constituencies.

This narrative was reinforced by allegations emerging from Haryana and Madhya Pradesh. In Haryana, Gandhi claimed that 25 lakh votes were «stolen», citing the existence of 5.21 lakh duplicate voters. He pointed to egregious examples of «photo-similar entries» – where multiple voter IDs featured identical photographs with different names – including one instance where a stock image of a Brazilian model appeared on the voter rolls. Similarly, in Madhya Pradesh, the Congress alleged a premeditated plan to «tamper» with voter lists to replicate the Maharashtra model.

The Vote Chori campaign was further fueled by the ECI's questionable reaction to the Congress's accusations. It is important to note that the central government had recently changed the rules for the appointment of the ECI. While before December 2023, the ECI was nominated by a committee comprising the Prime Minister, the Leader of the Opposition and the Chief Justice of the Supreme Court, the changes substituted the Chief Justice with a Cabinet Minister, essentially putting the nomination of the ECI entirely in the hands of the government.

The ECI rejected all of Gandhi's claims and asked him to submit an official complaint, which the leader of the opposition never did. But it remains that the ECI's conduct was prone to be interpreted as an attempt to manipulate the rolls. For instance, the ECI had quietly discontinued the use of a de-duplication software that had previously been used to identify and delete duplicate entries during the 2022 revision, without giving an explanation [Nath 2025, 6 November]. Furthermore, when questioned about discrepancies in Bihar, the ECI replaced machine-readable digital voter lists with non-searchable scanned image files on its public portals. This move made independent verification and data analysis much more difficult, fueling accusations that the ECI was actively shielding the rolls from scrutiny [Tiwari 2025, 9 August]. By framing the ECI not as a neutral arbiter but as an active participant in «destroying democracy», the opposition attempted to move the debate from policy differences to the existential question of

electoral fairness, in a way in continuity with the «Save the Constitution» campaign which had marked the 2024 general elections.

However, the Congress was never able to show a smoking gun, pointing at a centrally-organised operation to rig the elections. What it did show beyond any reasonable doubt was that the electoral rolls, in many parts of the country, were in a very bad shape, possibly because of local manipulation of the electoral rolls over the years and by multiple actors, likely cancelling each other out.

Ironically, this was the official reason why the ECI had decided to conduct a Special Intensive Revision (SIR) of the electoral rolls for the 2025 Bihar state elections. Launched by the ECI in June 2025 to «purify» electoral rolls and remove dead or absent voters, the Bihar SIR functioned in practice as a radical *de novo* rewriting of the voter list. Unlike routine revisions, this exercise fundamentally shifted the burden of proof for citizenship onto the voter, a departure from established electoral practice in India, where the state facilitates registration [Shastri & Yadav 2025, 7 October].

The procedural demands of the Bihar SIR were particularly onerous. For the first time, voters were required to submit an «enumeration form» within a strict deadline to remain on the rolls. Crucially, the ECI demanded specific «proof of citizenship» documents to accompany these forms, while rejecting the most common identification documents held by poor citizens, such as Aadhar cards, ration cards and even its own Electors Photo Identity Card (EPIC) as valid proof of citizenship. This created a bureaucratic trap: millions of citizens who possessed valid government-issued ID were suddenly at risk of deletion because they lacked birth certificates or land deeds that are often historically unavailable to marginalised communities. According to calculations by Yogendra Yadav's team, at least 50% of the adults of Bihar do not have such documents [Mishra 2025, 22 August].

The immediate result was a massive deletion of voters from the rolls. The exercise initially excluded approximately 6.5 million voters from the draft rolls, a deletion rate that Yogendra Yadav, a petitioner in the Supreme Court case challenging the SIR, described as the «biggest disenfranchisement exercise in history». The demographic impact of this «purification» was highly skewed. Detailed analysis revealed that the gender ratio of the electorate plummeted, with the number of women voters per 1,000 men dropping to 892 – the lowest since 2020 – resulting in approximately 1.6 million «missing women» voters [Shastri & Yadav 2025, 7 October]. Furthermore, districts with high Muslim populations, such as those in the Seemanchal region, recorded some of the highest rates of deletion, raising concerns about targeted exclusion.

The chaos was mitigated by judicial intervention. The Supreme Court of India, monitoring the process, forced the ECI into «damage control» mode. The Court compelled the Commission to publish the list of excluded voters and eventually directed that Aadhaar be accepted for verification.

Furthermore, the ECI allowed people who could trace a relative in the 2003 rolls to remain in the revised ones. This mitigated exclusion errors. Yet, despite these interventions, the final rolls remained riddled with errors. The list contained over 500.000 entries with «gibberish» values, over 51,000 invalid relationship entries, and many «dead» voters who were later found to be alive (some were shown in the Supreme Court) [*The Wire Staff* 2025, 10 October].

Eventually, the final rolls actually used during the elections contained 74.5 million voters as against 78.9 million before the SIR began. The great majority of the deletions – partly cancelled out by fresh additions – were for routine reasons like deaths, relocations, and duplications. Perhaps the most mysterious aspect remains the deletion of many women voters. This could perhaps be explained by low literacy rates among women in Bihar, as this might have impacted their ability to comply with the ECI's requests. The deletion of many women from the rolls, however, also suggests that the exercise, which did result in disenfranchisement of many vulnerable citizens, was most probably due to lack of administrative capacity by the ECI, rather than due to manipulation from above. In fact, women tend to vote for both the BJP and Nitish Kumar's Janata Dal (United) (a BJP ally), and it would have made little sense for the ruling party to target their own «vote bank» [Tiwari 2025, 7 October].

In fact, the Bihar SIR – and the subsequent electoral results – seem to confirm that evidence of rigging has not emerged. For instance, villages with high deletion rates did not see significant changes in turnout rates, as compared to previous elections, and winners did not change. Moreover, of the 28 close contests – defined as a constituency where the winning margin was less than 2% of the votes cast – the National Democratic Alliance won 50%, while the opposition Mahagathbandhan won 48%, pretty much as statistics would predict [Tiwari 2025, 5 December]. Reporters also visited Pranpatti village in Bihar – a polling station with one of the highest deletion rates – revealing that the «dubious» voters added in previous years were often the result of local-level manipulations for municipal or panchayat elections rather than a centrally directed scheme.

On 4 November 2025, the ECI launched an SIR across nine states and three Union Territories: Tamil Nadu, Kerala, West Bengal, and Puducherry (where elections are due in 2026); and Andaman and Nicobar Islands, Lakshadweep, Chhattisgarh, Goa, Gujarat, Madhya Pradesh, Rajasthan and Uttar Pradesh. Assam, also going to the polls in 2026, was excluded from the Intensive revision (only a «normal» revision will take place, where residents will not be required to produce proof of citizenship). The ECI explained that the state was left out because the compilation of the National Register of Citizens (a draft of which was published in 2019, but has not been brought forward [Torri 2020] is incomplete, and a SIR would require a harmonisation of the NCR and the electoral rolls. Critics

argued that a more compelling reason is that the NRC's draft left out approximately 1.9 million residents, a majority of whom (about 1.1 million) are Hindu Assamese or Bengali, both part of the social coalition supporting the BJP in the state [Choudhury 2025, 16 December]. Once again, the ECI's conduct, even conceding that the reason provided is compelling enough to make Assam an exception, was far from reassuring and cultivated the climate of fear among opposition parties and supporters that the electoral process is under threat.

In sum, while the «Vote Chori» campaign did not produce any proof of centralised ballot rigging that altered national or state verdicts, the ECI failed to restore confidence, mainly through its lack of transparency, arbitrary rule-changes and exclusionary design. The ultimate casualty of 2025 was not just the voters left off the lists, but the legitimacy of the system itself. Democratic theory posits that consolidation requires all actors – voters, parties, and institutions – to accept elections as «the only game in town». When the opposition believes the game is rigged, many voters believe them, and democracy suffers a crisis of legitimacy. This crisis is exacerbated by the plummeting credibility of the Election Commission of India. Surveys by the Centre for the Study of Developing Societies (CSDS) indicated that public trust in the ECI had hit «rock bottom», a decline accelerated by the Commission's combative response to criticism, its refusal to hold independent inquiries, and its reluctance to work transparently.

4. *State elections in 2025*

In 2025, two important state elections took place: the Territory of Delhi and Bihar. Both the results further cemented the power of the BJP, achieving a majority in the Delhi elections, and the BJP-led National Democratic Alliance (NDA) securing a two-thirds majority in the Bihar elections, with the BJP emerging as the single largest party. Both these elections, combined with those of Haryana and Maharashtra in 2024, contributed to the BJP's winning spree following the *Lok Sabha* (relative) debacle in June 2024, where the BJP failed to secure an absolute majority of the seats [Manor 2025]. This section unpacks both the elections held in 2025 and the background, relevance, and factors contributing to the results.

4.1. *Delhi*

Delhi Legislative elections were held on 5 February 2025 across 70 seats, the results of which were announced on 8 February 2025. The BJP won 48 seats out of the 70, the incumbent Aam Aadmi Party (AAP) won 22 seats, while the Indian National Congress (INC) or Congress did not win any seats. The Member of Legislative Assembly (MLA) from Shalimar Bagh, Mrs Rekha

Gupta, was sworn in as the Chief Minister (CM) on 20 February 2025, marking the BJP's return to power in Delhi after 27 years.

Before delving into the electoral issues and unpacking the result, we believe it is important to explain the year leading up to the elections in Delhi. The AAP faced a major setback due to the Delhi liquor policy money laundering case. In this case, it was alleged that the new excise policy introduced by the AAP government involved procedural lapses and irregularities in how licences and fee concessions were handled [Bose 2023, 4 October]. Investigating agencies, including the Enforcement Directorate (ED) as well as the Central Bureau of Investigation (CBI), found several irregularities, even though it should be mentioned that the impartiality of investigative agencies in politically sensitive cases has been put into serious question over the last few years [Das, Chaturvedi and Nag Choudhury 2024, 22 March]. Several of the AAP leaders, such as Deputy CM Manish Sisodia, Sanjay Singh, Satyender Jain, amongst others, were jailed. Most notably, CM Arvind Kejriwal was arrested on 21 March 2024, after skipping nine ED summons, making him the first sitting CM of India to be arrested – just a few weeks before the general elections. The Supreme Court granted him interim bail from 10 May 2024 to 1 June 2024 on the grounds of campaigning for the general elections. Finally, he was given bail on 13 September 2024, after spending more than five months in prison. Kejriwal then resigned as the CM on 21 September 2024 in light of these corruption charges, and Atishi Marlena was sworn in as the CM. The AAP strongly denied such charges, protested Kejriwal's arrest, and argued that these charges are politically motivated.[1] The AAP, nonetheless, fought the elections under Kejriwal's leadership.

The credibility crisis for the AAP was two-fold. One, it was at the centre of many corruption allegations, such as the liquor policy case, cash for ticket controversy, as well as the CM's residence controversy. Of course, for a party which was born out of an anti-corruption movement, these accusations represented a major credibility issue [Biswas 2013, 9 December]. This, of course, is the second side of the problem, and it generated anti-incumbency feelings among the electorate. Furthermore, the «Shesh Mahal» controversy [Saxena 2025, 8 February] around the renovation of the CM's residence added further fuel to the fire. The BJP highlighted a Comptroller and Auditor General (CAG) report in which it was stated that the renovation cost had increased from an initial estimate of Rs 7.91 crore ($ 1 million) to Rs 33.6 crore ($ 4 million) by completion. These accusations – even if not demonstrated – dented the image of the CM as a clean politician and a «common man» – another serious blow to his image, given that the very name of his party is the «Party of the Common Man» (Aam Admi Party).

All these factors really added up. As a result, according to a survey done by Lok Niti Centre for the Study of Developing Societies (CSDS), nearly two-

1. In February 2026, Delhi High Court cleared Arvind Kejriwal of all charges.

thirds of the respondents felt that the AAP government was corrupt, while around 28 per cent of the respondents felt that the government was very corrupt. Furthermore, the fatigue with incumbent MLAs also had a role to play in the AAP's defeat. According to the same survey, around half of the respondents were unhappy with the work done by their MLAs. More importantly, around 33 per cent of the respondents felt that their MLA's performance was very disappointing. Contrast this with another survey done by CSDS, where seven out of ten respondents were satisfied with the central government's (BJP) work [Shastri, Kumar and Palshikar 2025, 10 February].

Furthermore, according to the Lok Niti survey, the local issues remained central to voters in Delhi. For instance, Kejriwal had promised in 2020 that he would cleanse the Yamuna River and if he did not do so, the public could reject him. However, around the end of his term, CM Kejriwal started pointing out that the task was mammoth as the river is «poisoned». The issue of the Yamuna River also caught social media's attention, and photos of the river with toxic foam were being shared. CM Kejriwal's excuse did not carry much weight. The survey reveals that eighty per cent of the respondents thought of the Yamuna River as an important concern. The Yamuna issue underlies the issue of general cleanliness in Delhi, with ninety per cent of the respondents being disappointed with the lack of cleanliness in the city, while eight out of ten were upset with the level of air quality and the lack of access to clean drinking water [Shastri, Kumar and Palshikar 2025, 10 February].

However, the AAP has also had a history of constructive reforms, such as Delhi's government schools as well as *Mohalla clinics* (community clinics). The Mohalla clinics provided basic primary healthcare to the underserved neighbourhoods in Delhi. In 2023, there were roughly 1.93 crore (19 million) appointments reported in the Mohalla clinics [Upadhyay 2025, 13 January], while millions benefited from these clinics every year since their inception in 2015. Furthermore, in terms of government schools in Delhi, the government undertook sustained reforms. For instance, according to Yamini Aiyar, initiatives such as Mission Buniyaad helped increase learning levels remarkably [Aiyar 2024]. However, despite the prominence of these bread-and-butter issues, it is clear that something went wrong with the AAP's political messaging. For instance, PM Modi's promise to cleanse the Ganga – a promise that remained largely unfulfilled – did not have any impact on his popularity, signalling that the image of CM Kejriwal and his party – dented by corruption scandals – had a negative impact on how voters decided to evaluate his government's performance.

The AAP's defeat can also be explained by the reduced social coalition supporting the party and the corresponding larger one which voted for the BJP. According to the Lok Niti survey, the social coalition that AAP built over the years – which included Dalits and Muslims – was replaced by a broader social coalition manufactured by the BJP. Barring the Gujjars and the Yadavs, the BJP made strong inroads among backward castes as well as

maintained its lead among the upper castes, a traditional «vote bank» of the party [Shastri, Kumar and Palshikar 2025, 10 February]. Furthermore, the BJP made steady inroads in the rural seats of Delhi (eighteen out of the 70 seats are considered to be rural seats) [Das 2025, 9 February]. In 2025, the BJP won 13 of them, with a vote share of more than 50 per cent in six seats. If you compare this to AAP's electoral zenith in 2015 it won 18 out of 18 seats, while it won 17 out of 18 in 2020 [Dixit 2025, 10 February]. This time around, the voters felt that the AAP was more focused on the urban poor than the «rural» poor. It was also noted that many of the rural constituencies were in shambles and the representatives inaccessible: «Voting for the BJP seemed a smart choice for people in rural areas. We expected more from a person who emerged from an *andolan* (protest). Initially, CM Kejriwal assured us that he would resolve the issue of house tax, but it was never tabled», said a village chief. Furthermore, the President of Centre for Youth Culture Law and Environment (CYCLE) [Das 2025, 9 February], an organisation that pressed for rural issues, also noted that they were fed up with the constant nagging and excuses of CM Kejriwal.

Additionally, it can also be argued that by not teaming up with the Congress, the AAP worsened its position. For context, the AAP was part of the Congress-led Indian National Developmental Inclusive Alliance (INDIA) bloc formed in 2023 to fight the 2024 general elections against the BJP. The AAP and Congress had an alliance in Delhi for the general elections, but did not fight together in the assembly elections. In the 2025 Assembly Elections, the Congress saw a marginal increase in its vote share, which directly benefited the BJP while adversely affecting the AAP [Saxena 2025, 8 February]. For instance, in 13 seats the winning margin of the BJP was less than the number of votes the Congress got. Thus, if both parties were allied, these 13 seats could have flipped the other way and made the election a much more tightly contested one than it turned out to be (even though votes do not add up perfectly in these situations). Lastly, not allying with the INC naturally led to the Congress campaigning vehemently against the AAP. Like the BJP, Congress leader Rahul Gandhi sharpened his attacks on CM Kejriwal on 'Sesh Mahal' and false promises [Saxena 2025, 8 February]. Thus, it can be said that by not sticking with the INDIA alliance, CM Kejriwal invited further trouble.

4.2. *Bihar*

The Bihar Assembly election was completed in two rounds: one on 6 November 2025 and one on 11 November 2025, while the results were declared on 14 November 2025. The NDA won a landslide majority, winning 202 of the 243 seats. Within the alliance, the BJP won 89 seats, the Janata Dal (United) (JD(U)) won 85, while the Lok Janshakti Party (Ram Vilas) (LJP (RV)) won 19, and the Hindustani Awam Morcha (HAM) and the Rashtriya Lok Morcha (RLM) won five and four seats, respectively.

On the other hand, the opposition Grand Alliance or the Mahagath-

bandhan (MGB), comprising the Rashtriya Janata Dal (RJD), the INC, various factions of communist parties, among other small parties, only managed to secure 35 seats, of which the RJD won the bulk (25), while Congress got six seats. This election was a major boost to the BJP and JD(U), which won 15 and 42 seats more than their 2020 tally, respectively. On the other hand, Tejashwi Yadav's RJD saw a loss of 50 seats from its previous performance, while the Congress saw a dip of 13 seats, bringing its tally closer to Asaduddin Owaisi's All India Majlis-e-Ittehadul-Muslimeen (AIMIM), which won five seats out of the 25 it contested. The table below summarises the electoral results. As it is evident from the last column, vote shares are largely stable, with the notable exception of Nitish Kumar's JD(U), which increased by almost 4 percentage points. This was a remarkable achievement, considering that Kumar had been chief minister of the state for 19 out of the previous 20 years.

It is important to know the developments of 2023-24 before diving into an analysis of the electoral issues of the election. In August 2022, CM Nitish Kumar (the incumbent then and now) quit his alliance with the BJP and moved to the MGB [Dhar 2024, 28 January]. In the same year, CM Nitish Kumar publicly declared his desire to form a grand pan-India alliance. In July 2023, the alliance finally took shape, consisting of the Congress, the JD(U), the RJD and other major political parties across India [*The Economic Times* 2022, 25 September]. The alliance formed was called INDIA, an acronym for Indian National Developmental Inclusive Alliance [Maiorano & Khattri 2024].

Table 1
Results of the 2025 elections to the Legislative Assembly of Bihar

Alliance	Party	Seats won (difference from 2020)	Vote share (difference from 2020)
NDA	BJP	89 (+15)	20.08 (+0.62)
	JD(U)	85 (+42)	19.25 (+3.86)
	LJP (RV)	19 (+19)	4.97 (New)
	HAM (S)*	5 (+1)	1.17 (+0.28)
	RLM	4 (+4)	1.06 (New)
	Total	**202 (+81)**	46.56 (+9.30)
MGB	INC	6 (-13)	8.71 (-0.77)
	RJD	25 (-50)	23.00 (-0.11)
	CPI (ML) L **	2 (-10)	2.84 (-0.31)
	Other MGB parties	2 (-7)	3.38 (-0.28)
	Total	**35 (-80)**	**37.93 (-0.01)**

Others	AIMIM***	5 (0)	1.85 (+0.19)
	BSP	1 (+1)	1.62 (+0.13)
	Others	0 (-2)	11.87 (-9.61)
	Total	**6 (-1)**	**15.34 (-9.29)**
Total		243	100

* Hindustani Awam Morcha (Secular), political coalition in Bihar, India, led by the Rashtriya Janata Dal (RJD), including the Indian National Congress (INC), and Left parties.
** Communist Party of India (Marxist-Leninist) Liberation.
*** The AIMIM (All India Majlis-e-Ittehadul Muslimeen, lit. «All India Council for Unity of Muslims») or Majlis, is a right-wing Indian political party based primarily in the old city of Hyderabad.

Source: Election Commission of India.

As part of the new alliance, in 2023, the government led by CM Nitish Kumar conducted the first-ever caste census in independent India's history in Bihar [Tewary 2023, 6 January]. This led to national politics being centred around caste for months, as the census had revealed the severe underrepresentation of OBC castes in virtually all professions and especially in the public sector, where reservations (27%) covered only a fraction of their share of the population (around 63% of the population) [Mishra 2023, 19 October].

In January 2024, CM Nitish Kumar once again switched camps, breaking his alliance with the MGB and rejoining the NDA [Mukherjee 2025, 7 August]. In the months that followed, Congress leader Rahul Gandhi made the caste census a central demand of his campaign, arguing that an enumeration of OBC and other disadvantaged communities was essential to ensuring equitable representation and resource distribution [Dhillon 2024, 27 February]. Mr Gandhi also warned repeatedly that if the BJP returned to power with a full majority, they would amend the Constitution in ways that would weaken or dismantle the reservation system, a message that resonated strongly among Dalit, OBC, and Adivasi voters. The results of the 2024 Lok Sabha elections reflected the impact of this campaign: the BJP suffered significant losses and fell short of a parliamentary majority, widely attributed in part to the mobilisation of disadvantaged communities around the twin issues of constitutional protection and caste-based enumeration [Sen & Khattri 2024, 19 July]. This meant that the BJP needed support from its allies, Nitish Kumar's JD(U), with 12 seats, and Chandrababu Naidu's Telugu Desam Party (TDP), with 16 seats, made them key allies of PM Modi's party. Therefore, it can be argued that the Bihar Assembly Elections of 2025 were particularly important not only at the state level but also as a litmus test of the NDA's stability, given the historical pattern of alliance switching of CM Nitish Kumar.

Despite fighting a fifteen-year anti-incumbency, voter fatigue and health allegations, CM Kumar led the NDA to a two-thirds majority in the elections. One of the key factors that can explain this outcome is voter con-

tentment with the status quo and satisfaction with government delivery. The NDA campaigned on state-level issues, arguing that the *double-engine sarkaar* (the government of Nitish-Modi, allied both at the centre and in the state) is necessary for Bihar's development [Kumar 2025, 18 November]. According to a survey, half of the voters believed that it is necessary that the party in power at the Centre should be in power in the state, and roughly 75 per cent of the voters were satisfied with the governments at both levels [Kumar 2025, 18 November]. This belief was seemingly grounded in contentment with government delivery. In terms of key public services and infrastructure, more than two-thirds of the voters thought that the availability of electricity and the conditions of roads improved (75 and 70 per cent of respondents, respectively), while more than 60 per cent felt that access to clean water and conditions of government schools improved [Kumar 2025, 18 November]. In terms of law and order, nearly half of the respondents perceived an improvement [Kumar 2025, 18 November].

Furthermore, in terms of welfare, both the BJP (particularly since PM Modi took office) and the JD(U) under CM Kumar have designed and implemented women-centric schemes. For instance, CM Kumar's policy of an alcohol ban, distributing cycles and school uniforms to schoolgirls, as well as the Jeevika Didi scheme, which provides for social and economic upliftment of women in rural Bihar, have historically mobilised women voters towards the NDA [Kumar 2025, 18 November]. In the state, this time around, similar to what the BJP did in Madhya Pradesh and Maharashtra, the NDA government in Bihar rolled out a scheme before the elections in which Rs. 10,000 was transferred to the accounts of 1.21 crore (12 million) women to start an enterprise, which further strengthened the traction amongst women towards the NDA [Tiwary 2025, 16 November]. It should be noted that cash transfers to women are a nationwide trend, with as many as 12 states (ruled by the NDA or other parties) having programmes in place, while others are considering their introduction [Biswas 2025, 9 December].

To conclude, it can be argued that with a robust alliance with the Centre and a history of delivery-oriented governance, CM Kumar defeated anti-incumbency and rode the NDA towards a landslide majority.

In terms of social coalition, the RJD-led MGB was able to retain most of its traditional support among Muslims and Yadavs (which constitute roughly 32 per cent of the state's population) but has failed to make inroads in other groups [Tiwary 2025, 16 November]. On the other hand, CM Kumar managed to command sway among Extremely Backward Castes (EBCs) and Mahadalits, who constitute 31 per cent of the 15 per cent Dalit population, non-Yadav Other Backward Classes (OBCs) and upper caste groups, who together form roughly 15.5 per cent [Joy 2023, 2 October] of Bihar's population [Tiwary 2025, 16 November].

This time around, the MGB suffered dents in their core voter groups, too. For instance, the MGB garnered the support of 84 per cent Yadavs in

the 2020 elections but could only manage to get 74 per cent in 2025 [Kumar 2025, 21 November]. On the other hand, the rise of AIMIM, with an explicit Muslim-centred social base, dented the Muslim vote for the MGB, which fell by six percentage points to 70 per cent in 2025 [Kumar 2025, 21 November]. On the other hand, the NDA saw an increase in its support amongst its traditional voters: 54 per cent of the upper caste groups voted for the NDA in 2020, while the number went up by 13 percentage points to 67 per cent in 2025 [Kumar 2025, 21 November]. Furthermore, 60 per cent of the Dalits voted for the NDA, as it included two parties with a sizeable Dalit support base, the Lok Janshakti Party (LJP) and the HAM [Kumar 2025, 21 November].

It can be argued that one of the key reasons for the stickiness of the non-Yadav and non-Muslim voters towards the NDA is the looming legacy of the RJD's so-called 'Jungle Raj' of the 1990s and early 2000s, a theme repeatedly mentioned by the NDA during the electoral campaign [Kumar 2025, 21 November]. The term Jungle Raj broadly refers to the criminalisation of politics during the rule of Tejashwi Yadav's parents, Lalu Prasad Yadav and Rabri Devi. During their rule, kidnappings, caste-based massacres and murders dominated headlines. For instance, under Rabri Devi's rule, between 2001 and 2004, there were 1,527 cases of kidnappings compared to 429 between 2006 and 2009. Furthermore, around 58 massacres took place between 1991 and 2001, killing 566 people, including 343 Scheduled Caste (SC)/Other Backward Caste (OBC) agricultural labourers and 128 upper caste landlords [Singh 2025, 31 October]. According to author Mrityunjay Sharma, «beneath the veneer of social justice, state institutions were systematically hollowed out». The fact that 144 out of 384 Indian Administrative Service (IAS) officers sought central deputation in 1992 reflects the grim reality of that time [Singh 2025, 31 October]. The horrors of the bygone era resurface every election and arguably shape voter behaviour of non-Yadav groups, who counter-mobilise and consolidate in voting against the RJD [Singh 2025, 31 October]. Thus, it can be argued that the looming legacy of the Jungle Raj hinders the RJD-led MGB from expanding its electoral footprint beyond its core Muslim-Yadav supporters, which ultimately led to a debacle in their electoral performance in the 2025 Assembly elections.

5. *Conclusions*

The year 2025 stands as a testament to the resilience of the BJP's political hegemony and the simultaneous deepening of India's institutional crisis. Recovering from the electoral setbacks of 2024, the Modi government successfully navigated external security shocks – balancing military assertiveness in Pahalgram with strategic restraint in Delhi – while reasserting its dominance through decisive victories in Bihar and the national capital. This

political consolidation, however, unfolds against a backdrop of economic paradoxes; while headline GDP figures suggest robust growth, the IMF's data downgrade and escalating trade tensions with the United States reveal significant structural vulnerabilities obscured by fiscal populism.

Crucially, the events of 2025 highlight a dangerous fissure in Indian democracy: the erosion of faith in the umpire. While the opposition's «Vote Chori» campaign failed to provide a «smoking gun» regarding outcome-determining fraud, the opaque and exclusionary handling of the Special Intensive Revision by the Election Commission of India has inflicted lasting damage on the legitimacy of the electoral process. The opposition's inability to translate these institutional concerns – or the economic distress of the marginalised – into a winning electoral coalition underscores their continued strategic paralysis. Ultimately, 2025 concludes with the image of a regime that is politically more secure than ever, yet presiding over a democratic system where the fundamental consensus on the fairness of the process is fraying. India moves towards 2026 as a polity where the government's grip is firm, but the integrity of the «rules of the game» remains deeply contested.

Bibliography

Aiyar, Yamini, 2024, *Lessons in State Capacity from Delhi's Schools*, New Delhi: Oxford University Press.

Anand, Abhishek, Josh Felman and Arvind Subramanian, 2026, 'India's 20 years of GDP misestimation: New Evidence', PIIE Working Paper 26-3.

Biswas, Soutik, 2013, 9 December, 'A spectacular debut by a new Indian party', *BBC News*.

Biswas, Soutik, 2025, 9 December, 'A wage for housework? India's sweeping experiment in paying women', *BBC News*.

Bose, Saikat Kumar, 2023, 4 October, 'NDTV Explainer: All You Need To Know About Delhi Liquor Policy Case', *NDTV*.

Choudhury, Sahil Hussain, 2025, 16 December, 'Assam's SIR exemption ahead of 2026 election is a warning for the rest of India', *Scroll.in*.

Das, Anjishnu, 2025, 9 February, 'How rural votes in Delhi deserted AAP, brought about its exit from power', *The Indian Express*.

Das, Krishna N., Arpan Chaturvedi, and Subrata Nag Choudhury, 2024, 22 March, 'Beyond Modi, India's opposition struggles with financial crime agency', *Reuters*.

Dhar, Aniruddha, 2024, 28 January, 'Bihar politics: Why did Nitish Kumar leave NDA and form government with RJD in 2022?', *Hindustan Times*.

Dhillon, Amrit, 2024, 27 February, '"Why are you asleep?" Rahul Gandhi pleads with India's low castes to vote out Modi', *The Guardian*.

Dixit, Kushagra, 2025, 10 February, 'Why most rural areas in Delhi showered their votes on BJP', *The Times of India*.

Hall, Ian, 2026, 'India 2025: Turbulence and Turmoil in Foreign Policy', *Asia Maior*, XXXV/2025.
Jacob, Happymon, 2025, 14 August, 'The Shocking Rift Between India and the United States: Can Progress in the Partnership Survive Trump?', *Foreign Affairs*.
Joy, Shemin, 2023, 2 October, 'Caste survey in Bihar: OBCs, EBCs make up 63.13% of population; Gen Category 15.52%', *Deccan Herald*.
Kotasthane, Pranay, 2025, 8 October, '#319 Eternal Performance', *Anticipating the Unintended*, *Substack*.
Kumar, Sanjay, 2025, 18 November, 'Decoding the NDA's landslide win in Bihar', *The Hindu*.
Maiorano, Diego, & Raghaw Khattri, 2024, 'India 2023: Towards the general elections amid rising social tension', *Asia Maior*, XXXIV/2023.
Manor, James, 2025, 'India 2024: Authoritarianism checked, then reasserted', *Asia Maior*, XXXV/2024.
Mishra, Anand, 2023, 19 October, 'Bihar caste survey report: Game changer in Indian politics; results challenge BJP's Hindutva unity narrative', *Frontline*.
Mishra, Soni, 2025, 22 August, 'SIR is the biggest disenfranchisement exercise in history: Yogendra Yadav', *Frontline*.
Mukherjee, Vasudha, 2025, 7 August, 'Legacy of U-turns: Timeline of Nitish Kumar's alliance shifts over a decade', *Business Standard*.
Nath, Damini, 2025, 6 November, 'Rahul Gandhi's Haryana "vote chori" claim puts spotlight back on duplicate voters – and a software EC stopped using', *The Indian Express*.
Ohri, Nikunj, and Manoj Kumar, 2025, 28 November, 'India posts fastest growth in six quarters, cushions against trade strains', *Reuters*.
Palit, Amitendu, 2025, 4 February, 'India's Middle-Class Budget', ISAS Briefs, NUS Institute of South Asian Studies.
Palit, Amitendu, 2025, 26 November, 'India's New Labour Codes: Decline of Trade Union Influence', ISAS Briefs, NUS Institute of South Asian Studies.
Raghavan, T. C. A. Sharad, 2025, 27 November, 'IMF gives India a "C" on its GDP and other national accounts data, the second-lowest grade', *The Hindu*.
Rai, Vinod, 2025, 4 February, 'First Budget of Modi's Third Term: Emphasis on Boosting Consumer Consumption', ISAS Briefs, NUS Institute of South Asian Studies.
Rai, Vinod, 2025, 12 September, 'Transforming Taxation: India's Overhaul of the GST Framework', ISAS Briefs, NUS Institute of South Asian Studies.
Saxena, Aashish, 2025, 8 February, 'Delhi election results 2025: 10 reasons why AAP lost', *The Times of India*.
Sen, Ronojoy, & Raghaw Khattri, 2024, 19 July, 'The BJP Debacle in Uttar Pradesh', ISAS Insights, NUS Institute of South Asian Studies.
Sharma, Ruchir, 2026, 11 January, 'India needs to import more capital and export fewer workers', *The Financial Times*.
Shastri, Sandeep, Sanjay Kumar, and Suhas Palshikar, 2025, 10 February, 'Why Kejriwal lost: Pollution, lack of clean drinking water behind voter anger; two-thirds saw AAP as corrupt', *The Indian Express*.
Shastri, Sandeep, & Yogendra Yadav, 2025, 7 October, 'On SIR all did not end well', *The Indian Express*.
Siddiqui, Usaid, 2025, 17 December, 'How have India's exports jumped 20 percent, despite Trump's trade war?', *Al Jazeera*.

Singh, Santosh, 2025, 31 October, 'Why "jungle raj" casts a long shadow over the RJD', *The Indian Express*.
Subbarao, Duvvuri, 2026, 5 January, 'Has India truly entered a higher growth phase?', *The Financial Times*.
Subramanian, Arvind, 2019, 'India's GDP Mis-estimation: Likelihood, Magnitudes, Mechanisms, and Implications', CID Faculty Working Paper No. 354, Harvard Kennedy School.
Tewary, Amarnath, 2023, 6 January, 'Bihar caste census to begin from January 7', *The Hindu*.
The Economic Times, 2022, 25 September, 'There is no fight between Hindus and Muslims; BJP wants to create disturbances: Nitish Kumar at INLD rally'.
The Economic Times, 2025, 20 September, '"70% of H-1B visa holders are Indians," says visa consultant on H-1B fee hike'.
The Wire Staff, 2025, 10 October, 'Bihar SIR Key Takeaways: "Missing Voters" Triple, Gender Skew Worse, 5 Lakh Voters With Gibberish Values', *The Wire*.
Tiwari, Ayush, 2025, 9 August, 'EC replaces digital draft voter lists in Bihar with scanned images that make finding errors harder', *Scroll.in*.
Tiwari, Ayush, 2025, 7 October, 'Why exclusion of women voters in Bihar should worry Nitish Kumar', *Scroll.in*.
Tiwari, Ayush, 2025, 5 December, 'What Election Commission data says about "vote chori" in the Bihar elections', *Scroll.in*.
Tiwary, Deeptiman, 2025, 16 November, 'Explained: Bihar election 2025 results – why BJP-Nitish retained power, challenges for Tejashwi', *The Indian Express*.
TOI Business Desk, 2025, 5 December, 'MPC meet: Low inflation, high growth - why did RBI still cut repo rate? Sanjay Malhotra explains', *The Times of India*.
Torri, Michelguglielmo, 2020, 'India 2019: Assaulting the world's largest democracy; building a kingdom of cruelty and fear', *Asia Maior*, XXX/2019.
Upadhyay, Ankita, 2025, 13 January, 'After record high in 2023, footfall in mohalla clinics fell 28% last year', *The Indian Express*.
Upasani, Siddharth, 2025, 2 September, 'The "noise" in April-June GDP: Taking a closer look at the numbers', *The Indian Express*.
V-Dem, 2025, 6 March, 'Democracy Report 2025: 25 Years of Autocratization – Democracy Trumped?', V-Dem Institute.
Yang, Jianli, 2025, 12 August, 'Why Is the US Punishing India – But Not China – for Buying Russian Oil?', *The Diplomat*.

India 2025: Turbulence and turmoil in foreign policy

Ian Hall

Griffith University
i.hall@griffith.edu.au

New Delhi faced multiple complex challenges in 2025. Donald J. Trump's return to the White House did not deliver an expected fillip to the US-India strategic partnership. Instead, the relationship markedly deteriorated, as the President imposed high tariffs on Indian goods and disregarded longstanding Indian positions concerning Pakistan and the Kashmir dispute. A terrorist attack in that region spurred New Delhi into a brief conflict that ended unexpectedly poorly for India, with the military even more dominant in Pakistan's domestic politics and Islamabad's relationships with China, the US and Saudi Arabia stronger than before. Cautiously, New Delhi continued to stabilise India's relationship with China, recommencing flights and the issuing of visas, but Narendra Modi's government faced criticism at home and abroad for its approach to managing Beijing's ambition. This article analyses India's foreign policy in all three of these areas. In the last part, it turns to New Delhi's testy relationship with Southeast Asia, where more might be done to balance China's power and develop mutually beneficial economic and security ties, but where neither side perceives value in those endeavours.

Keywords – Indian foreign policy; Trump; United States; Pakistan; China; South Asia.

1. *Introduction*

As 2025 approached, prominent Indian analysts and newspapers argued that New Delhi had good reasons to be confident about the year ahead [see Hall 2025, p. 296]. They welcomed Donald J. Trump's imminent return to the White House and argued that the US-India strategic partnership had grown stronger during this first term in office (US) [Madhav 2024, 8 December]. They hoped that Trump would make good on his promises to end the Ukraine war and pursue a rapprochement with Vladimir Putin's Russia [Observer Research Foundation 2024]. More cautiously, they welcomed the deal done with China in October 2024 to restore some normality to the troubled Sino-Indian frontier, hoping that the bilateral relationship would soon stabilise and economic opportunities would return [The Hindu 2024, 23 October]. Finally, they observed that Narendra Modi's government would have more domestic breathing space to manage the demands of foreign policy, with only two state elections due in the next twelve months [Bajpaee 2025, 9 January].

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

These predictions were soon confounded. From early in the year, India was battered by global turbulence and the Modi government's foreign policy was left in turmoil. President Trump proved far less amenable than many had hoped, as he launched a trade war against India and undercut Indian interests elsewhere. Putin rebuffed successive American proposals for ending the Ukraine war, leaving New Delhi exposed to criticism from European states about the Modi government's ongoing unwillingness to condemn Russia's aggression and vulnerable to US sanctions arising from its ongoing purchases of cheap Russian oil. Moreover, India was unable to extract new defence or investment deals from the Russian president, despite a high-profile visit to New Delhi [Rosenberg and Pandey 2025, 5 December]. Meanwhile, Beijing was no more tractable than it was prior to the conclusion of the border patrolling agreement. Nor for that matter was Bangladesh, whose interim government clashed repeatedly with New Delhi and demanded the return of former prime minister Sheikh Hasina [Mallinder 2025, 23 November]. Finally, the Kashmir dispute returned to the fore, with the worst terrorist attack to affect civilians in India since the assault on Mumbai in 2008 and a short but messy conflict with Pakistan that left India less able to exert pressure on Islamabad than before.

Here and there, New Delhi did have some wins. India's relationship with Canada was patched up following the resignation of Prime Minister Justin Trudeau and his replacement by Mark Carney, thanks to a fortuitously timed meeting of the Group of 7 (G7) in Alberta in mid-June to which Modi was invited [Choudhury, Dawar and Cheema 2025, 6 October]. In July, India signed an important trade deal with the United Kingdom (UK), renewed the bilateral Comprehensive Strategic Partnership and secured several other promising agreements [Jaybhay 2025, 16 September]. Modi was well received in Tokyo in August and Japan pledged some 10 trillion Yen (about US$ 68 billion) in new investment for India [Singh 2025, 7 September]. Throughout the year, the Indian prime minister and his foreign minister also took full advantage of the uncluttered domestic political calendar to travel widely. Modi went to twenty different countries and Subrahmanyam Jaishankar to more than thirty, including several that rarely see an Indian leader, like Ghana, Ireland, Namibia, and Trinidad and Tobago, and several regional states with sometimes troubled ties with India, like Maldives, Mauritius and Sri Lanka.

Nevertheless, the year was dominated by three foreign policy challenges: managing a strained relationship with the US; confronting threats from Pakistan; and recalibrating ties with China in ways that did not create new vulnerabilities. This article focuses on each of these challenges in turn, and in the final section, it looks at India's relations with Southeast Asia, a strategically significant region where New Delhi might forge robust partnerships to offset China's power and hedge against other risks, but where successive Indian governments have struggled to make headway. In the first

part, the article analyses the causes and effects of New Delhi's failure to assess the likely direction of the Trump administration's India policy. In the second, it argues that India's leaders mishandled the May conflict with Pakistan, exposing weaknesses in the coercive strategy they have employed for almost a decade to compel Islamabad to cease support for cross-border terrorism and insurgency. Concerning China, the article contends that the Modi government was more circumspect – and more successful as a result – despite ongoing tensions and deep mistrust in the Sino-Indian relationship. Finally, the article observes that New Delhi continued to underinvest in relationships with potential and established partners in Southeast Asia. Modi's decision not to travel to the Association of Southeast Asian Nations (ASEAN) summit and East Asia Summit in Kuala Lumpur, Malaysia, in late October 2025 highlighted India's persistent reluctance seriously to engage that region, despite talk of the deep civilisational ties and assurances about upholding 'ASEAN Centrality'.

2. *Tariffs and turbulence*

Many countries were nervous about Trump's return, India's foreign minister Jaishankar observed a few days after the Presidential election in early November 2024, but 'India was not one of them' [Sebastian 2024, 11 November]. In his view, a strong personal rapport between Trump and Modi and the President's appreciation of India's importance had strengthened US-India ties during his first term in office. Trump understood India's growing diplomatic and economic weight, Jaishankar argued, and appreciated the need to work together to manage China's ambition, bilaterally and in forums like the Quad [Seli 2024, 5 December]. Others aligned with the ruling Bharatiya Janata Party (BJP) went further, predicting that with Trump back in the White House, the US and India would now combine forces to combat 'radical liberals' and 'wokeness', given what they saw as the ideological affinities between Trump's Make America Great Again (MAGA) movement and the Hindu Right [Madhav 2024, 8 December]. Moreover, they looked forward to Trump's promised assault on the so-called 'Deep State', which they believed had orchestrated an effort to tarnish the Modi government with accusations concerning human rights abuses, democratic backsliding, and corporate fraud [Dayal 2024, 7 December]. They acknowledged that Trump would likely cause New Delhi difficulties on trade, given India's substantial US$ 45.8 billion goods trade surplus [Office of the United States Trade Representative 2025], immigration and perhaps climate change. And they recognised that the President's transactionalism would require careful handling [Pathi and Sharma 2024]. But they assessed these challenges as manageable [Madan 2024, 5 December].

To lay the diplomatic groundwork for that management, Jaishankar went to Washington, DC, in late December 2024 for an unusually long six-day visit. He met with outgoing officials and with Mike Waltz, the Congressman whom Trump had recently nominated as National Security Advisor, and who was generally considered sympathetic to India [PTI 2024, 28 December]. The mission paid off: Jaishankar secured an invitation to Trump's inauguration on 20 January 2025, which was interpreted as a positive sign for the future of the bilateral relationship [DD News 2025, 21 January]. A second invitation, this time for Modi to meet Trump in the Oval Office, was received soon afterwards, and the Indian prime minister became only the fourth leader to meet the newly sworn in President on 14 February [Bajpaee 2025, 11 February].

Yet by that point there were already indications that the relationship would soon encounter some turbulence. Just a few days before Modi arrived in Washington, DC, the new administration began a widely publicised series of deportations, flying illegal immigrants to their home countries, using the US air force [Hadda 2025, 10 February]. Some of the first flights went to India, including some to Modi's home state of Gujarat, where the pictures of the chained and shackled detainees were met with a public outcry and 'political uproar' in parliament [Mishra 2025, 6 February]. In the meeting with Trump, the prime minister downplayed the issue, perhaps hoping that an emollient approach on immigration might assist with the effort to secure a good deal on tariffs, but to little avail. Modi came away from the Oval Office with big promises to boost bilateral trade and buy US arms, but no certainty about tariffs [Biswas and Inamdar 2025, 14 February]. The US and India continued to talk, but New Delhi was unable to head off the threat of punishment. On 2 April, Trump announced that the administration would impose a rate of 27% on Indian goods. Disappointed, New Delhi nevertheless persisted with diplomatic engagement, renewing a commitment to negotiate a trade deal in good faith [Ahmed, Kumar and Batra 2025, 4 April].

For a little while longer, the Modi government's ongoing optimism about Trump's return did not appear entirely unreasonable. On 22 April, Vice President J. D. Vance and his Indian-origin partner Usha Vance travelled to India, and some analysts interpreted the visit as a signal that the US remained equally committed to the bilateral strategic partnership [Chellaney 2025, 22 April]. Vance took the opportunity to encourage New Delhi to open India's markets to US goods, but also argued that close cooperation was imperative, observing that 'if we fail to work together successfully, the 21st century could be a very dark time for all of humanity' [U.S. Embassy and Consulates in India 2025, 22 April]. The visit did not receive the coverage that it might, however, because on the same day Vance made these remarks, terrorists gunned down 26 civilians at a popular tourist destination at Pahalgam in Kashmir.

That attack is described in more detail in the next section, but it should be observed here that the crisis that followed had a significant impact on the Modi government's relationship with the Trump administration. In the immediate aftermath, the US stood with India, as New Delhi has come to expect in recent years. Trump's spokesperson pledged US support to India in its efforts to bring the perpetrators to justice [DD News, 2025, 23 April]. New Delhi likely took these remarks as a signal that the US would not stand in the way of military action targeting Pakistan and Pakistan-administered Kashmir. At first, this assessment appeared accurate. When India retaliated on 7 May, the President said that it was a 'shame' that matters had reached that point but went no further [Holland and Singh 2025, 7 May], while Vice-President remarked that an India-Pakistan conflict was 'fundamentally none of our business' [Singh 2025, 9 May]. But as the conflict escalated, parts of the Trump administration grew increasingly alarmed about the possibility of a wider war or even a nuclear exchange. As Pakistan readied and launched a series of ballistic missiles, and India responded with strikes on significant military targets, Vice-President Vance and Secretary of State Marco Rubio intervened, pressing both sides for a ceasefire [Yusef 2025, p. 17].

On 9 May, a dialogue between Indian and Pakistani military commanders commenced on a dedicated hotline, and a deal was struck to end hostilities. Before New Delhi and Islamabad could announce the ceasefire, however, Trump broke the news on social media, claiming that the US had 'mediated' the 'long night of talks' [Ravid 2025, 10 May]. The State Department followed up with a statement that confirmed that the US had 'brokered' the deal, adding that 'the Governments of India and Pakistan' had also 'agreed…to start talks on a broad set of issues at a neutral site' [U.S. Department of State 2025, 10 May]. These issues, according to another social media post from the President, included the status of Kashmir. 'I will work with you both', Trump promised, 'to see if, after a thousand years, a solution can be arrived at, concerning Kashmir' [Ethirajan 2025, 13 May]. Claiming once more that his intervention had brought the conflict to a close, he suggested that 'millions of people could have died' and implied that potential trade deals had been used a leverage in the talks [Joshi 2025, 16 May].

These posts delighted Pakistan, which moved quickly to credit the President for brokering a ceasefire, welcome his pledge to meditate further talks over Kashmir, and eventually nominate him for a Nobel Peace Prize [Das and Greenfield, 2025, 13 May]. New Delhi was far less impressed. Trump's comments appeared to jettison a tacit two decades-old commitment by the US not to challenge India's long-standing position that the Kashmir dispute must be settled bilaterally, without third-party involvement [Congressional Research Service 2020, 13 January]. On 13 May, the Ministry of External Affairs reaffirmed that position but to little avail [Bhattacherjee and Haidar 2025, 14 May]. Trump persisted with his claim that he had brokered a ceasefire and his promise to convene talks to settle the

Kashmir dispute. Matters came to a head in Canada in mid-June, where Modi and Trump were due to meet on the sidelines at the Group of 7 (G7) summit. The President's decision to leave early and return to Washington, DC, led to the cancellation of that discussion, but Trump then called Modi and asked him to visit the White House on the way back to India. The President offered lunch and an opportunity to talk directly with Pakistan's newly promoted Field Marshal, Asim Munir.

This gambit apparently angered Modi, who refused the invitation and further calls from Trump in the weeks that followed [Mashal, Das and Pager, 2025, 30 August]. New Delhi also released an unusually candid readout of the conversation, which included a point-by-point rebuttal of the President's various claims:

> Prime Minister Modi clearly conveyed to President Trump that at no point during this entire sequence of events was there any discussion, at any level, on an India-U.S. Trade Deal, or any proposal for a mediation by the U.S. between India and Pakistan. The discussion to cease military action took place directly between India and Pakistan through the existing channels of communication between the two armed forces, and it was initiated at Pakistan's request. Prime Minister Modi firmly stated that India does not and will never accept mediation [Ministry of External Affairs 2025, 18 June].

In July and August, this rift between the two leaders and two countries widened still further. First, Trump announced that the US would levy an additional 25% tariff on Indian goods to penalise New Delhi for buying Russian oil and weapons [Yadav 2025, 31 July]. Second, the US unveiled a new deal to develop Pakistan's oil reserves [Associated Press 2025, 1 August]. Third, the President said he would not travel to India for the Quad summit Modi had long been due to host [PTI 2025, 30 August]. Finally, the Trump administration issued an Executive Order imposing a US$ 100,000 price on the H-1B skilled worker visas that allow thousands of Indians to work in the US [Mogul and Liu 2025, 22 September]. These actions exposed the Modi government to further criticism at home and did little to encourage New Delhi to reconcile with Washington, DC, nor conclude a trade deal, despite repeated claims by Trump that one was imminent [Al Jazeera 2025, 1 September].

By the end of 2025, it was clear that the 'Trump bump' [Madan 2024, 5 December] to US-India relations that New Delhi had expected at the start of the year was unlikely to eventuate soon, leaving the future of the strategic partnership and initiatives like the Quad in doubt [Feigenbaum 2025, 4 August]. There was no sign that the Trump administration appreciated the logic or value of the strategic altruism that shaped the India policies of its predecessors, from George W. Bush onwards [see Vaishnav 2025, 16 July]. Instead, a coercive and transactional Trump used the strategic partnership

as a source of leverage, to be used in pursuit of better terms of trade [Madan 2025, 24 September]. Worse still, the Trump administration appeared disinterested in engaging in full spectrum strategic competition with China and working with allies and partners like India to manage Beijing's ambition. Its first National Security Strategy, issued in early December, made Asia a secondary strategic priority, focusing on economic competition with regional states more than on deterring military threats in the Indo-Pacific [White House 2025].

These statements, combined with Trump's accommodating approach to Beijing and the language used by the President to describe US-China relations, were made with mounting concern in New Delhi. India has long feared a US-China entente or 'Group of 2' (G2) arrangement in which the US and China cut deals and set the rules without regard for others [Czin 2025, 25 November]. Such a 'new model of great power relations' [Zeng and Breslin 2016] would be welcome in Beijing but would likely relegate India to the status of a second-class regional power, with serious consequences for its political autonomy and economic trajectory [Madan 2022, p. 44]. Trump's announcement on the eve of a meeting with President Xi Jinping in late November that the 'G2 will be convening shortly' was thus not well received in India [Mishra and Chaudhury 2025, 26 November]. It appeared to signal that the US was no longer interested in working with regional powers like India to compete with China and persuade Beijing to scale back its assertiveness. It raised yet more questions about the reliability of the US as a strategic partner and American commitment to India's interests.

3. *Strategic setbacks*

The massacre at Pahalgam in Kashmir on 22 April was the deadliest terrorist attack targeting civilians in India in seventeen years. It was carefully planned to challenge New Delhi and to provoke a response. It took place at a popular tourist spot, undermining the Modi government's arguments that Kashmir was now safe for visitors, thanks to controversial constitutional reforms and a hardline approach to security. The terrorists reportedly singled out non-Muslim men, in many cases sparing their partners and thereby ensuring that the details of the massacre were widely and graphically communicated to the media [Sharma 2025, 28 April].

In the immediate aftermath, India imposed various diplomatic sanctions on Pakistan, whom New Delhi blamed for sponsoring the terrorists. This included the unprecedented step of suspending the 1960 Indus Waters Treaty [Ministry of External Affairs 2025, 23 April]. But it was clear that military action would likely follow, given both the nature of the Pahalgam attack and past precedent, notably the 2016 Uri raid and the 2019 Balakot air strikes [see Sasikumar, 2019]. That action began on 7 May with a

wave of strikes with artillery, drones, and precision-guided bombs on what India claimed were terrorist camps in Pakistan-administered Kashmir and Pakistan itself [Clary 2025, 28 May]. India labelled this attack 'Operation Sindoor' – referring to the vermillion paste applied to brides' foreheads at Hindu marriage ceremonies and thus to those victims of Pahalgam recently married – and clearly conceived it as a standalone punitive measure, with no plans for further action. New Delhi made plain that Indian forces had been ordered to avoid military targets, signalling that it did not intend to engage Pakistan's forces [Clary 2025, 28 May].

Within hours, however, Pakistan's reaction forced India to abandon those self-imposed constraints. The Pakistani air force engaged its Indian counterparts at range and likely shot down two or three aircraft [Layton 2025, 17 November]. Their armies skirmished along the Line of Control in Kashmir and on 8 May, both sides attacked each other's military facilities with various types of drones. Hundreds were launched on 9 May, while Pakistan readied and then used several missiles, firing at least one in the direction of Delhi. That weapon was intercepted by India's air defences at Sirsa in Punjab, roughly 150km from the border and 250km from the capital, along with many others at other locations [Firstpost 2025, 10 May]. In response India escalated, attacking eleven Pakistani airbases with cruise missiles and air-launched ballistic missiles in the morning of 10 May [Layton 2025, 17 November]. The targets included one in Rawalpindi, near Pakistan's army headquarters, and not far from Islamabad [Clary 2025, 28 May].

Seasoned analysts assess that India's military prevailed in the conflict, despite the losses on the first day, demonstrating that it could quickly overwhelm Pakistan's air defences while successfully defending Indian targets against Pakistani drone and missile attacks [Layton 2025, 17 November]. But this operational success was overshadowed by a series of strategic setbacks. The rapid and unpredictable development of this conflict from punitive strikes on non-military targets to large scale attacks using scores of drones and missiles alarmed foreign observers, prompted multiple diplomatic interventions by Saudi Arabia, the United Arab Emirates, and the United Kingdom, among others, and finally by the US. Both sides would have anticipated such intervention – after all, both have developed conventional and nuclear warfighting doctrines on the assumption that it would occur within a few days of the start of hostilities [see Ladwig III 2007; Hall 2014, pp. 366-367]. But following the two earlier episodes where India has carried out cross-border strikes, in 2016 and 2019, New Delhi had likely come to believe that any American intervention would respect India's positions and interests.

In 2025, as we have already discussed, this did not happen. Instead, Trump embarrassed New Delhi by pre-empting the ceasefire announcement, suggesting India had agreed to third-party mediation over Kashmir, re-hyphenating India and Pakistan at least rhetorically, if not in policy, and

trying to cajole Modi into a meeting with Pakistan's army chief at the White House. New Delhi was clearly surprised and disconcerted by these actions, which undermined India's ability to coerce Pakistan. Worst still, the conflict strengthened the hand of the military in Pakistan's domestic politics, despite its manifest operational failures. The shooting down of Indian aircraft in the first hours handed the Pakistani military a clear propaganda victory, which was exploited to the full at home and abroad [Nazar 2025, 11 May]. The high-profile roles played by Chinese and Turkish weapons systems – including Chengdu J-10 fighters – seemingly vindicated the military's close partnerships with both states. Finally, the decision of Pakistan's army leadership, headed by Asim Munir, to quickly escalate the conflict to strikes on military targets with missiles and drones drew in third party invention before India could unequivocally demonstrate its military superiority.

For all these reasons, Pakistan's army was able to claim victory – and this verdict was widely accepted by the Pakistani public. A poll conducted a few days afterwards found that no fewer than 96% of those surveyed believed that Pakistan 'had won the war' and 97% rated the army's performance as good or very good [Gallup Pakistan 2025, 21 May]. A conflict that began with the aim of coercing Islamabad into abandoning alleged support for cross-border terrorism thus ended with the principal alleged backer – Pakistan's army – in an even stronger position than before. And Pakistan's military chiefs took full advantage, tipping the domestic balance of power even further in its favour, and away from the civilian authorities. Munir was elevated to the rank of Field Marshal [Hussain 2025, 21 May] in only the second such promotion in Pakistan's history, was feted by Trump at the White House [Hussain 2025, 19 June], was given lifelong immunity from prosecution [Davies 2025, 15 November], and was made the country's first-ever Chief of Defence Forces [Raza and Asad 2025, 5 December].

Internationally, the Pahalgam attack and the May conflict did little if anything to stall Islamabad's ongoing effort to break out of the relative isolation in which Pakistan found itself after the discovery that Osama bin Laden had found sanctuary there after 9/11, despite India's attempts to label Pakistan as a state sponsor of terrorism. During the year, Islamabad was able to reengage two important erstwhile allies, with a view to reducing its recent dependence on China. With the US, Pakistan won favour early in Trump's second term by passing on intelligence about the whereabouts of an Islamic State leader responsible for a deadly bombing at Kabul airport in 2021 and leveraged this into a broader rapprochement, including lower tariffs on Pakistani imports [Rahman, 2025, 1 October]. Islamabad also succeeded in revitalising relations with Saudi Arabia, despite sustained work by India over more than decade to construct a strategic partnership with the kingdom [see Quamar 2023]. In September, Pakistan and Saudi Arabia agreed a mutual defence pact that committed the parties to aid the other in the event of aggression [Siddiqui 2025, 17 September].

Together, these developments relieved at least some the pressure India had been able to apply to Islamabad in recent years. They left New Delhi with fewer options for coercing Pakistan into abandoning its alleged backing of cross-border terrorism. The May 2025 crisis put the Modi government in an invidious position, facing a resurgent Pakistan convinced that a strategy of rapid escalation in response to Indian military action won out against the odds and able to call on new friends in Washington and Riyadh, as well as old ones in Beijing, to undermine New Delhi's diplomatic agenda.

4. *Caution and calibration*

The Modi government was far more cautious in dealing with China than with Pakistan. Earlier some international analysts had suggested that following the conclusion of the border patrolling deal in October 2024, New Delhi would move quickly to normalise relations with Beijing [see, for example, The Economist 2024, 24 October]. This assessment proved over-optimistic, despite a series of meetings between foreign and defence ministers, national security advisors, and top officials in late 2024 and early 2025 [Levesques and Solanki 2025, 16 May]. Instead, the Modi government moved slowly – when it moved at all – to wind back various sanctions imposed on China after the Galwan crisis in June 2020. It calibrated its diplomatic engagement of Beijing, reflecting deep-seated mistrust of India's northern neighbour, intensifying domestic scrutiny of the administration's approach to managing the various challenges posed by China, and concern about the lack of balance in the bilateral economic relationship [see Pant and Mankikar 2024, 14 November].

In the end, the patrolling agreement did lead to a swift normalisation of Sino-Indian relationship. More than six months passed before India began once more issuing visas to Chinese tourists and businesspeople, in July 2025 [Master 2025, 23 July]. It took even longer before New Delhi approved the resumption of direct flights between China and India, which had been cut off in 2020 due to Covid-19, as well as the border tensions [Mollan 2025, 3 October]. In parallel, the Modi government dragged its feet about relaxing the strict rules on inward investment from China, despite calls from business lobby groups and respected think tanks [Singh and Ohri 2025, 18 July]. By the end of 2025, the major restrictions – especially the rule that inward investment from China must be screened by government – remained in place, and lifting them continued to be politically controversial. The ever-expanding trade deficit in China's favour did not help matters. In the 2024-25 financial year, India imported from China goods worth US$ 99.2bn more than it exported across the northern border – a figure even more striking when one considers that India's goods exports to China totalled just US$ 14.3bn, less than 13% of the total value of bilateral trade [Joshi 2025, 4 December].

New Delhi was equally circumspect in bilateral diplomacy with Beijing. Senior ministers met their Chinese counterparts and made verbal commitments to find ways to reestablish trust, but few deals were done [see, for example, Ministry of Foreign Affairs of the People's Republic of China 2025, 21 February]. In August, Modi honoured a commitment to travel to China for a Shanghai Cooperation Organisation (SCO) summit, despite domestic criticism of the visit [Times of India 2025, 1 September]. New Delhi likely calculated that non-attendance would have been interpreted as an unnecessary snub to Xi Jinping and would have ceded fellow member Pakistan diplomatic space to shape the narrative about the four-day conflict in May. Certainly, the Modi government saw the SCO meeting as not just a chance for the Indian prime minister to talk directly with Xi, but also as a timely opportunity for some broader signalling, which it seized.

First, Modi stopped off in Tokyo for talks with his Japanese counterpart on the way to the summit, reminding Beijing that improvements in Sino-Indian ties would not come at the expense of others [Berkshire Miller 2025, 3 September]. Second, Modi held an apparently convivial conversation with Xi and Russian President Vladimir Putin in full view of the cameras, letting Washington know that India had options, should Trump persist with punitive tariffs and should the US-India strategic partnership falter [The Economic Times 2025, 1 September]. Third, after the SCO meeting, the Indian leader declined to stay on in China and attend a military parade commemorating of the 80th anniversary of the end of the Second World War, indicating to Xi that while New Delhi sought a more stable relationship, it would not hand Beijing such an easy propaganda victory [Bartlett 2025, 4 September]. Finally, India refused to endorse Xi's overtly anti-Western SCO agenda, pointedly highlighting the need for a 'multipolar Asia' as well as a multipolar world [Bajpaee 2025, 1 September].

These diplomatic calibrations showed how uncomfortable the Modi government was with normalising the relationship with China, even as problems emerged in India's relationship with the US. Throughout the year, it remained the case that India did not 'want to need China', as Tanvi Madan observed [Madan 2025, 24 September]. To be sure, New Delhi sought greater stability and predictability, a lower level of tensions on the border, and economic interaction that benefited India. But as Madan [2025] argues, the Modi government view that Xi's China is a rival, a bully, and an aspiring Asian hegemon was unchanged, and so New Delhi continued to proceed with caution in engaging Beijing. It opened the Indian economy to more trade, investment and technology transfer only where it perceived that the risks might be managed and where the authorities might minimise the threat of future Chinese coercion. New Delhi walked a careful diplomatic line with Beijing, indicating a willingness to cooperate on some initiatives of mutual interest, but not at the expense of national security.

Critics inside and outside China argued this caution was more a function of weakness than wisdom, placing further limits on what New Delhi might do. The veteran Congress Party politician Jairam Ramesh, for example, went so far as to accuse Modi of 'capitulating' to Beijing and 'cowardly kowtowing' to his Chinese counterpart by going to Tianjin [The Hindu 2025, 2 September]. These critics urged that a stronger line be taken, not just in response to Beijing's ongoing bullying of India, but also in reaction to China's overt backing of Pakistan during the May crisis. Some of them recognised, however, that decades-long underinvestment in defence had undermined India's ability to deter threats to its territory, citizens and interests [The Economic Times 2025, 2 February].

In parallel, scholars continued to debate the character and causes of India's persistent «underbalancing» of China, given the border dispute, the broader geostrategic rivalry between the two, and strategic shocks like the Galwan crisis in 2020 [see inter alia Paul 2024]. In a notable intervention, Christopher Clary argued that India had underbalanced China before Galwan and that despite the Modi government's view of Beijing's intentions, it would likely continue to do so. In his assessment, successive governments had failed to devote 'sufficient national resources' to defence, allocate what it had 'optimally against potential threats', used resources efficiently, and secured sufficient foreign assistance to fill the gaps [Clary 2025, p. 878]. Clary conceded that the Modi administration did seek to 'correct the balance' to some degree after Galwan, albeit by taking some 'steps that entailed greater risks toward other dangers' [Clary 2025, p. 893]. But India was still forced into making concessions to China, including in the 2024 patrolling agreement, which has still not been made public, due to its ongoing relative weakness [Clary 2025, p. 893].

All this said, New Delhi's calibrated approach to managing the bilateral relationship during 2025 suggests that India was willing and able to withstand at least some pressure from China, even as the US-India strategic partnership came under strain and as India's corporate sector pushed for more trade and investment. But domestic political necessity, rather than enhanced capabilities, likely explains this resistance. The Modi government remained vulnerable to domestic criticism of its China policy, including its handling of the Galwan crisis, and keen to avoid any impression of weakness. It pushed back strongly against those who suggested that its foreign policy was less than robust [see, for example, DD News 2025, 28 July]. It boosted India's defence budget by a record 9.5% for the fiscal year 2025-26 and argued that such investment showed how serious it was about tackling the threats India faced [Ministry of Defence 2025, 24 March]. But even with this increase, defence expenditure remained below 2% of Gross Domestic Product, while inflation, wages and pensions limited what could be spent on modernising the armed forces [Hooda 2025, 12 February]. Moreover, after more than a decade of BJP-led governments, India's military remains

chronically short of advanced fighters and modern helicopters, ships and submarines, offensive and defensive cyber- and electronic warfare capabilities, missiles and much more [Desai 2025, 9 April].

5. *Underbalancing*

One way that New Delhi might reduce the imbalance of power with China would be to forge stronger strategic partnerships with like-minded states in East Asia, including in Southeast Asia. Successive Indian governments have toyed with this idea since the early 1990s, but despite rhetorical commitments to 'Look East' and 'Act East', none – including the current administration – have pursued such relationships in earnest [see Grare 2017]. Instead, enthusiasm has waxed and waned in New Delhi, with only some opportunities taken up, and there has been a general tendency to fall back on vague and cliched expressions of common interests, shared values, and historical linkages. As a result, thirty years on from the first efforts made by both sides to forge stronger strategic ties between India and states in Southeast Asia, even long-established partnerships, for example with Vietnam, remain underdeveloped, while local perceptions of India remain mixed at best.

This situation did not improve in 2025, despite the difficulties New Delhi faced with the US, Pakistan, and China, the potential inherent in deeper and broader economic, diplomatic and security ties between India and Southeast Asia, and shared scepticism about the prospect of a China-led regional order [see Ho and Lee 2025]. Indeed, in some ways, things deteriorated. The free trade agreement (FTA) between India and the Association of Southeast Asian Nations (ASEAN), which came into force for goods in 2010 and for services in 2014, reemerged as a bone of contention. New Delhi has long been critical of the deal, pointing to the widening gap between ASEAN's exports to India and the flow of goods and services in the other direction. While experts argue that the FTA is not to blame for this imbalance, since most bilateral trade is conducted outside its terms due to the onerous bureaucracy the agreement entails, it has become symbolic of what Indian governments have complained is an unequal economic relationship [Palit 2025, 21 July].

These tensions reemerged early in 2025, despite an effort by Malaysia, the incoming ASEAN chair, to reinvigorate ties with India, partly with a view to securing New Delhi's support for a Malaysian application for membership of the BRICS grouping [Haidar 2024, 20 August]. This push had been signalled in August 2024, during Prime Minister Anwar Ibrahim's State Visit to New Delhi, which produced an agreement to elevate the Malaysia-India relationship to the level of a Comprehensive Strategic Partnership, as well as pledges to boost trade and develop stronger security ties [Ministry of External Affairs 2024, 20 August]. To further these aims, Kuala

Lumpur also agreed to 'support and expedite' the pending review of the ASEAN Trade in Goods Agreement, recognising New Delhi's desire to see these talks proceed [Asia News Network 2024, 21 August].

Completing the review proved harder to achieve, however, despite several public pledges to finish the process by the end of 2025 [Times of India 2025, 26 October]. As the talks wore on, India grew more frustrated. A series of papers critical of the FTA were published by Indian think tanks, some calling the trade deal a 'litmus test' for the broader relationship between India and ASEAN [see, for example, Baruah 2025, 21 July]. Unnamed Indian officials briefed journalists that New Delhi was contemplating pulling out of the agreement altogether, in protest at what was characterised as ASEAN's refusal to take India's concerns seriously [Jayaswal 2025, 7 July]. This threat was not realised by the end of the year, despite the failure to finalise the review, but it highlighted a wider malaise in India's relationship with Southeast Asia, as well as with ASEAN.

This malaise was laid bare in the latest State of Southeast Asia report produced by the Singapore-based Yusof Ishak Institute. Based on surveys of regional state elites, the report provides a useful annual snapshot of opinion. Year after year, however, it finds that India is not well-regarded in Southeast Asia as an economic or security actor. In 2025, India was ranked only the sixth most important strategic partner for ASEAN, after the European Union (fourth) and Australia (fifth) and just above South Korea. This score was admittedly higher than the one India attained in 2024, when it came ninth, but it must be noted that the improved ranking was a function of improved perceptions in the relatively marginal Southeast Asian states of Brunei, Laos, and Myanmar. In Indonesia, the region's most populous state, Malaysia and the Philippines, India was ranked ninth, while in Vietnam, a long-established strategic partner, and in Thailand, it came eighth [Yusof Ishak 2025, pp. 36-37].

Indian politicians and analysts often argue that India's lack of strategic clout in Southeast Asia is offset by 'soft power'. They point to past cultural and religious ties between India and the region, observing the influence of writing systems, ancient epics like the Ramayana, and architectural traditions, as well as past trade in goods like cotton cloth [see Bajpaee 2022]. The evidence for this soft power is thin, however, and for its influence on foreign policy it is thinner still. The 2025 Yusof Ishak survey asked a couple of questions to try to gauge relative levels of soft power, and the results for India were not impressive. Only 1.6% of respondents said they wanted to live and work in India, compared to 17.6% for Japan and 5.5% for China. Only 3% said that India was their favourite holiday destination, compared to 33% for Japan and 6.7% for China [Yusof Ishak 2025, pp. 71, 73].

This lack of regard is mirrored in India, where there is a widespread view that most of the states of Southeast Asia and ASEAN itself are either

geo-strategically irrelevant or under Beijing's sway [Mohan 2025, 17 July]. Commerce Minister Piyush Goyal's undiplomatic observation that some regional states belonged to 'China's B team', made as tensions about the ASEAN-India FTA rose in July, neatly captured this view and did nothing to speed up the talks [Ganapathy 2025, 2 July]. In October, Modi's decision to not to attend ASEAN and East Asia Summits in person, while likely motivated by domestic political issues and a desire to avoid an encounter with President Trump, reinforced the impression that New Delhi does not take the region as seriously as it does others [Joshi 2025, 4 November].

During the year, Modi played host to several key Southeast Asian leaders, including Indonesia's Prabowo Subianto in January, the Philippines' Ferdinand Marcos Jr. in August, and Singapore's Lawrence Wong in September. India also reportedly moved closer to concluding a deal to sell BrahMos cruise missiles to Indonesia and Vietnam and talked more about the possibility of exporting the Akash air defence system to those states and the Philippines [Firstpost 2025, 23 December]. But tensions over the trade deal overshadowed India's relations with the region and New Delhi was unable to overcome ingrained reservations about more substantive economic and security partnerships with Southeast Asian states, despite the troubles India was experiencing elsewhere.

6. *Conclusion*

There were few if any signs at the end of 2025 that the turbulence and turmoil that India encountered throughout the year were likely to abate in the foreseeable future. The US and India were still divided over trade [Nandi 2025, 24 December]. In Pakistan, the newly minted Chief of Defence Staff Asim Munir continued to consolidate the power of the fiercely anti-India military establishment [Ahmed 2025, 5 December]. Trust between Beijing and New Delhi remained fragile, at best, as a Pentagon report observed [U.S. Department of Defense 2025, p. 13], while India struggled to improve its standing in Southeast Asia.

In this context, it is perhaps not surprising that New Delhi looked to others, especially Europe. In December, it was announced that President of the European Commission Ursula von der Leyen and President of the European Council António Costa would be the guests of honour at the upcoming Republic Day celebrations and an EU-India summit would be held around the same time, with a view to signing a long-awaited free trade deal between the two [Trivedi and Haidar 2025, 21 December]. To some, the strategic logic of this move was compelling: 'Europe is a reliable partner with strong technological capabilities, shared concerns about Chinese coercion, and a steadier foreign policy' than the US [Crabtree and Chaudhuri 2025, 3 December]. But it is not yet clear that New Delhi will

be willing to address longstanding European concerns about India's relationship with Russia, democratic backsliding, labour laws, and what they see as inadequate protections for foreign investors and foreign intellectual property [Maddishetty 2025, 7 April].

Bibliography

Ahmed, Aftab, Manoj Kumar and Shubham Batra, 2025, 4 April, 'India says studying impact of 27% US tariff, vows to push trade deal', *Reuters*.

Ahmed, Munir, 2025, 5 December, 'Pakistan's president and PM approve Asim Munir as military's first Chief of Defense Forces', *AP News*.

Al Jazeera, 2025, 1 September, 'Trump claims India has offered to reduce tariffs on US goods to zero'.

Asia News Network, 2024, 21 August, India, 'Malaysia elevate ties to Comprehensive Strategic Partnership: PM Modi'.

Associated Press, 2025, 1 August, 'Pakistan, US reach a trade agreement to develop oil reserves', *Politico*.

Bajpaee, Chietigj, 2022, 'India's soft power challenge to China's regional engagement', China-India Brief 201, Centre on Asia and Globalisation, Lee Kuan Yew School of Public Policy.

Bajpaee, Chietigj, 2025, 9 January, 'India may not be interested in geopolitics, but geopolitics is interested in India', *The Interpreter*.

Bajpaee, Chietigj, 2025, 11 February, 'Modi's Washington visit highlights India's importance to the US, but will not resolve long-term challenges', Chatham House.

Bajpaee, Chietigj, 2025, 1 September, 'Modi's SCO summit visit shows China and India want to reset relations. But the «Dragon-Elephant Tango» will be tough', Chatham House.

Bartlett, Chris, 2025, 4 September, 'Modi is walking a tightrope with China, but will he fall?' *ABC News*.

Baruah, Akanksha, 2025, 21 July, 'Fixing ASEAN-India Trade in Goods Agreement (AITIGA): A litmus test for India-ASEAN relations'.

Berkshire Miller, Jonathan, 2025, 3 September, 'India's diplomatic dance: Cosmetic rapprochement and an enduring rivalry', *The Japan Times*.

Bhattacherjee, Kallol, and Suhasini Haidar, 2025, 14 May, 'India reasserts Kashmir stand after Trump poser', *The Hindu*.

Biswas, Soutik, and Nikhil Inamdar, 2025, 14 February, 'Five key takeaways from Modi-Trump talks', *BBC News*.

Chellaney, Brahma, 2025, 22 April, 'Vance's visit to India shows Trump is rebuilding ties', *The Hill*.

Choudhury, Suvolaxmi Dutta, Tanya Dawar and Zoraver Cheema, 2025, 5 October, 'Canada-India relations: From a diplomatic reset to results in strategic sectors', Asia Pacific Foundation of Canada.

Clary, Christopher, 2025, 'Is India underbalancing China?' *Journal of Strategic Studies*, 48(4), pp. 874-897.

Clary, Christopher, 2025, 28 May, 'Four days in May: The India-Pakistan crisis of 2025', Stimson Center.
Congressional Research Service, 2020, 13 January, 'Kashmir: Background, recent developments, and U.S. policy', Report R45877.
Crabtree, James, and Rudra Chaudhuri, 2025, 3 December, 'The India Trump made', *Foreign Affairs*.
Czin, Jonathan, 2025, 25 November, 'How Xi played Trump: Beijing gambled and is now reaping the rewards', *Foreign Affairs*.
Das, Krishna N., and Charlotte Greenfield, 2025, 13 May, 'India's diplomatic ambitions tested as Trump pushes for deal on Kashmir', *Reuters*.
Davies, Caroline, 2025, 15 November, 'Pakistan's army has always been influential – now its chief has new powers', *BBC News*.
Dayal, Sakshi, 2024, 7 December, 'Modi's BJP says US State Department targeting India', *Reuters*.
DD News, 2025, 21 January, 'Great honour to represent India at Trump inauguration ceremony: EAM Jaishankar'.
DD News, 2025, 23 April, 'Prime Minister Modi tells US President Trump: Pahalgam perpetrators will be punished'.
DD News, 2025, 28 July, 'Amit Shah hits out at Congress in Lok Sabha for siding with foreign narratives'.
Desai, Hely, 2025, 9 April, 'Beyond comparisons: India's strategic reckoning amid China's military modernization', *War on the Rocks*.
The Economic Times, 2025, 2 February, 'It is important to spend more on defence: Shashi Tharoor'.
The Economic Times, 2025, 1 September, 'PM Modi sends Trump a message, Pakistan a warning, China a reminder'.
The Economist, 2024, 24 October, 'Narendra Modi and Xi Jinping meet and resolve a border row'.
Ethirajan, Anbarasan, 2025, 13 May, 'Trump's mediation offer on Kashmir puts India in a tight spot', *BBC News*.
Feigenbaum, Evan A., 2025, 4 August, 'Donald Trump risks tanking twenty-five years of U.S.-India relations', *Carnegie Endowment for International Peace*.
Firstpost, 2025, 10 May, 'Pakistan fires Fatah-II: What are ballistic missiles? Does India have them?'.
Firstpost, 2025, 23 December, 'India expands BrahMos footprint in Indo-Pacific with $450 mn deals with Indonesia, Vietnam'.
Gallup Pakistan, 2025, 21 May, 'Public opinion after the India Pakistan ceasefire: Comprehensive analysis'.
Ganapathy, Nirmala, 2025, 2 July, 'India minister's dismissal of Asean members as «China's B team» hits confidence in trade pact', *Straits Times*.
Grare, Frédéric, 2017, *India turns East: International Engagement and US-China Rivalry*, London: Hurst & Co.
Hadda, Katherine B., 2025, 10 February, 'How Trump 2.0 immigration policies could strain Modi's U.S. strategy', Center for Strategic and International Studies.
Haidar, Suhasini, 2024, 20 August, India, 'Malaysia upgrade strategic partnership, discuss BRICS membership', *The Hindu*.
Hall, Ian, 2014, 'The requirements of nuclear stability in South Asia', *The Nonproliferation Review* 21(3-4), pp. 355-371.

Hall, Ian, 2025, 'India 2024: Challenges and contention in foreign policy', *Asia Maior,* Vol. XXXV/2024, pp. 315-334.
The Hindu, 2024, 23 October, 'Over the borderline: On the India-China deal: The agreement between India and China opens new opportunities'.
The Hindu, 2025, 2 September, 'Congress accuses Modi government of «cowardly kowtowing» to China'.
Ho, Serena, and Terence Lee, 2025, 'Elite perceptions of a China-led regional order in Southeast Asia', *Journal of Current Southeast Asian Affairs* 44(1), pp. 148-173.
Holland, Steve, and Kanishka Singh, 2025, 7 May, 'Trump calls rising India-Pakistan tension a shame; Rubio speaks to both sides', *Reuters*.
Hooda, Deependra Singh, 2025, 12 February, 'India's Defence Budget 2025-26', Delhi Policy Group.
Hussain, Abid, 2025, 21 May, 'Pakistan promotes army chief Asim Munir to field marshal: Why it matters', *Al Jazeera*.
Hussain, Abid, 2025, 19 June, 'Trump embraces Pakistan: «tactical romance» or a new «inner circle»? *Al Jazeera*.
Jayaswal, Rajeev, 2025, 7 July, 'India may consider terminating Asean pact as FTA review drags', *Hindustan Times*.
Jaybhay, Rahul, 2025, 16 September, 'Beyond a trade deal: The India-UK Strategic Partnership', Royal United Services Institute.
Joshi, Manoj, 2025, 16 May, 'From the brink: US Mediates India-Pakistan de-escalation', Observer Research Foundation.
Joshi, Manoj, 2025, 4 November, 'By skipping ASEAN summit, Modi weakens India's «Act East» outreach', *The Wire*.
Joshi, Tulsar, 2025, 4 December, 'Why India remains unable to sell at scale in China', Observer Research Foundation.
Ladwig III, Walter C., 2007, 'A cold start for hot wars? The Indian army's new limited war doctrine', *International Security*, 32(3), pp. 158-190.
Layton, Peter, 2025, 17 November, 'The four-day near-peer air war', *AirSpace*.
Levesques, Antoine, and Vikram Solanki, 2025, 16 May, 'Prospects for India-China relations', International Institute for Strategic Studies.
Madan, Tanvi, 2022, 'Not your mother's cold war: India's options in US-China competition', *The Washington Quarterly* 43(4), pp. 41-62.
Madan, Tanvi, 2024, 5 December, 'India is hoping for a Trump bump', *Foreign Affairs*.
Madan, Tanvi, 2025, 24 September, 'India doesn't want to need China', *Foreign Affairs*.
Maddishetty, Kamal, 2025, 7 April, 'India-EU ties: Emerging opportunities, persisting challenges', Chintan, India Foundation.
Madhav, Ram, 2024, 8 December, 'Trump's victory gives greater momentum to the return of nationalism as a respected political issue in the West', *The Hindu*.
Mallinder, Lorraine, 2025, 23 November, 'Bangladesh asks India to extradite fugitive ex-PM Sheikh Hasina', *Al Jazeera*.
Mashal, Mujib, Anupreeta Das and Tyler Pager, 2025, 30 August, 'The Nobel Prize and a testy phone call: How the Trump-Modi relationship unravelled', *New York Times*.
Master, Farah, 2025, 23 July, 'India to resume issuing tourist visas to Chinese citizens', Reuters.
Ministry of Defence, 2025, 24 March, 'Make in India powers defence growth'.
Ministry of External Affairs, 2024, 20 August, 'Joint statement on India-Malaysia Comprehensive Strategic Partnership'.

Ministry of External Affairs, 2025, 23 April, 'Statement by Foreign Secretary on the decision of the Cabinet Committee on Security (CCS)'.
Ministry of External Affairs 2025, 18 June, 'English Translation of Foreign Secretary's statement on the telephone conversation between PM and US President'.
Ministry of Foreign Affairs of the People's Republic of China, 2025, 21 February, 'Wang Yi meets with Indian external affairs minister Dr. Subrahmanyam Jaishankar'.
Mishra, Samiran, 2025, 6 February, 'Handcuffed, chained, thrown like boxes: Indian migrants' American nightmare', *NDTV World*.
Mishra, Vivek, and Prakreeti Chaudhury, 2025, 26 November, 'Return of the G2: Trump, China, and the mirage of a bipolar world', Observer Research Foundation.
Mogul, Rhea and John Liu, 2025, 22 September, 'India sends more skilled workers to the US than any other Country. Trump's visa hike has sparked panic, *CNN*.
Mohan, C. Raja, 2025, 17 July, 'India and ASEAN in a changing regional order', ISAS Briefs.
Mollan, Cherylann, 2025, 3 October, 'India and China to resume direct flights after a five-year ban', *BBC News*.
Nandi, Shreya, 2025, 24 December, 'India-US to resume trade talks in January after year-end holiday pause', *Business Standard*.
Nazar, Yousef, 2025, 11 May, 'India tried to project strength but ended up showing weakness', *Al Jazeera*.
Observer Research Foundation, 2024, 26 November, 'The Donald Trump comeback; India's stakes; and the Russia-Ukraine war'.
Office of the United States Trade Representative, 2025, 'India'.
Palit, Amitendu, 2025, 21 July, 'India-ASEAN free trade agreement: Turning a bad deal into a good one?' *ISAS Briefs*.
Pant, Harsh V., and Kalpit A. Mankikar, 2024, 14 November, 'The fatal flaw in India's China strategy', *Foreign Affairs*.
Pathi, Krutika, and Ashok Sharma, 2024, 15 November, 'India's Modi likely to find comfort in Trump's return and a shared worldview', *AP News*.
Paul, T. V., 2024, 'The Sino-Indian rivalry and balance-of-power theory: Explaining India's underbalancing', *Journal of Asian Security and International Affairs*, 11(4), pp. 451-474.
PTI 2024, 28 December, 'Jaishankar meets Trump's NSA-pick Waltz; discusses bilateral ties, global issues', *The Hindu*.
PTI 2025, 30 August, 'Trump «no longer has plans» to visit India for Quad Summit: NYT', *The Economic Times*.
Quamar, Md Muddassir, 2023, 'India and the Gulf: Regional security and India's multialignment policy', *Asian Politics & Policy*, 15(2), pp. 274-294.
Rahman, Muhib, 2025, 1 October, 'Explaining Trump's surprising turn to Pakistan', *War on the Rocks*.
Ravid, Barak, 2025, 10 May, 'Trump announces "full and immediate" ceasefire between India and Pakistan', *Axios*.
Raza, Syed Irfan, and Malik Asad, 2025, 5 December, 'President appoints Field Marshal Munir as country's first chief of defence forces', *Dawn*.
Rosenberg, Steve, and Vikas Pandey, 2025, 5 December, 'What Putin and Modi got out of Delhi meeting', *BBC News*.
Sasikumar, Karthika, 2019, 'India's surgical strikes: Response to strategic imperatives', *The Round Table*, 108(2), pp. 159-174.

Sebastian, Meryl, 2024, 11 November, 'India says not nervous about working with Trump', *BBC News*.
Seli, Yeshi, 2024, 5 December, 'India in advantageous position to build deeper relations with Donald Trump 2.0, says Jaishankar', *New Indian Express*.
Siddiqui, Usaid, 2025, 17 September, 'Saudi Arabia signs mutual defence pact with nuclear-armed Pakistan', *Reuters*.
Singh, Araudra, 2025, 7 September, 'PM Modi in Japan: Symbolism and substance amid renewed strategic convergence', Centre for Strategic and Defence Research.
Singh, Kanishka, 2025, 9 May, 'JD Vance says war between India and Pakistan will be «none of our business»', *USA Today*.
Singh, Sarita Chaganti, and Nikunj Ohri, 2025, 18 July, 'Exclusive: India's top think tank recommends easing investment rules for Chinese firms, sources say', *Reuters*.
Sharma, Yashraj, 2025, 28 April, '«Burst balloon»: How Pahalgam attack shattered Modi's Kashmir narrative', *Al Jazeera*.
Times of India, 2025, 26 October, 'India-ASEAN ties: Malaysia backs swift trade pact with New Delhi; Calls partnership a «force for stability»'.
Trivedi, Saurabh, and Suhasini Haidar, 2025, 21 December, 'Centre plans *Vande Mataram*-themed Republic Day fete; EU leaders invited as chief guests', *The Hindu*.
U.S. Department of Defense, 2025, *Annual Report to Congress: Military and Security Developments involving the People's Republic of China*.
U.S. Department of State, 2025, 10 May, 'Announcing a U.S.-brokered ceasefire between India and Pakistan'.
U.S. Embassy and Consulates in India, 2025, 22 April, 'Vice President JD Vance remarks on the U.S. and India's shared priorities'.
Vaishnav, Milan, 2025, 16 July, 'How India can placate America', *Foreign Affairs*.
White House, 2025, *National Security Strategy of the United States of America*.
Yadav, Nikita, 2025, 31 July, 'Trump to hit India with 25% tariffs – plus «penalty» for trade with Russia', *BBC News*.
Yusef, Moeed W., 2025, 'Brokered bargaining in nuclear South Asia: U.S. mediation in the India-Pakistan Pahalgam crisis', *Arms Control Today*, July/August, 14-18.
Yusof Ishak, 2025, 'The state of Southeast Asia: 2025 survey report'.
Zeng, Jinghan, and Shaun Breslin, 2016, 'China's «new type of Great Power relations»: a G2 with Chinese characteristics?' *International Affairs*, 92(4), pp. 773-794.

Nepal 2024-2025: Political upheaval, economic challenges and mixed foreign relations

Puspa Sharma

Institute of South Asian Studies, National University of Singapore
puspa.sh@nus.edu.sg

The most momentous event that happened in Nepal during 2024-2025 was the youth protest and the violence that followed on 8-9 September 2025. The spark for the protest was the government ban on several social media platforms that had denied registering with Nepal's competent authority. But the undercurrents were mass discontent and frustrations with the major political parties for their self-centric behaviours that had resulted in the lack of effective governance and service delivery. Earlier issues of this Journal have explained this dynamic in Nepal until 2023. This article covers the period 2024 and 2025, examining the turn of events in Nepal's domestic politics, economics and international relations. This, besides providing an overview of the country's major developments in those two years, also helps readers understand whether some of those events also fuelled the youth movement and how the movement shaped some of the long-overdue political changes.

Keywords – Nepal; political change; economic challenges; Gen-Z movement; international relations

1. *Introduction*

This article discusses Nepal's major developments in 2024 and 2025, aligning with the aim and objectives of the current issue of this Journal. It explores issues in domestic politics, economics and international relations particularly in the context of the September 2025 youth movement in Nepal.

In September 2025, Nepal made global headlines. The reason was the fateful turn of events on 8 and 9 September sparked by a youth protest movement termed the Gen-Z protest. The protest, which started peacefully on 8 September, soon turned violent when the protestors attempted to storm the country's Parliament building. The police shooting that followed resulted in the immediate loss of 19 young lives and several injuries within a span of a few hours. This caused a massive outrage on the streets the same day and the next.

On 9 September, residences of several political leaders, irrespective of their parties' participation in the then coalition government, were set on fire. These included the houses of the three senior-most leaders, Sher Bahadur Deuba of the Nepali Congress, Pushpa Kamal Dahal (more popularly known as Prachanda) of the Communist Party of Nepal (Maoist Cen-

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

tre), and K P Sharma Oli of the Communist Party of Nepal-United Marxist and Leninist (CPN-UML), who was also the then-sitting Prime Minister. Sher Bahadur Deuba, a five-time ex-Prime Minister, and his wife Arzu Rana Deuba, the then-sitting Foreign Minister, were physically assaulted in their residences and had to be rescued before their house was set ablaze. The Prime Minister and his cabinet subsequently resigned and were rescued by the Nepal Army.

The assaults, however, were not limited to political leaders and their properties. There were arsons and lootings on several business people's residences and business establishments. The most egregious of all were instances of arson on vital state institutions, including the central secretariat building (Singha Durbar), the Supreme Court, the Parliament building, and the office and official residence of the President. Seventy-six people (including three police personnel) lost their lives, and 2,522 people (including several security personnel) were injured in the two-day violence.

Perhaps it will be unfair to attribute the vandalism, riots and arson of 8 and 9 September to all the organizers of the Gen-Z protest. There are strong possibilities of infiltration, and some individuals and organizations might have used it as an opportunity to create mayhem to fulfil their vested interests. Nonetheless, the protest on 8 September provided the backdrop to what followed. Therefore, the fundamental question is, what caused the youth to take to the streets on 8 September?

The main reason was the ban on 26 social media platforms that had defied the Government of Nepal's order to register with the communication ministry. But it was «only a spark in the pent-up frustration with corruption, bad governance, political instability, nepotism, unemployment and other problems in the country».[1]

Nepali people's frustrations with and anger against the political leaders, particularly Deuba, Oli and Prachanda, was abundant on social media platforms. Occasionally, people had also resorted to sloganeering against them during public events [Bam 2024, 6 November; Karki 2024, 20 September; Republica 2023, 21 March].

The student protest, bloodshed and the fall of the Sheikh Hasina regime in Bangladesh in July 2024 should have been a wake-up call to Nepal's political leaders. There had been assessments in Nepal that people's rising frustrations could pose serious challenges to the country [Poudel 2024, 1 September]. Experts and some political leaders had been wary of people's growing discontent [The Kathmandu Post 2025, 16 April]. But the senior leaders were under the illusion that the situation was under their effective control.

The decades of hard struggles of Nepal's senior political leaders to achieve democracy in the country and their resolve and ability to address

1. For a more detailed analysis of 8-9 September events in Nepal, see P. Sharma 2025, 17 September.

several challenging problems in unison should not be discounted [Thapa and Sharma 2009]. The country has also achieved progress in several socio-economic areas over the years [Hatlebakk 2017]. Nevertheless, political instability, elite capture of state institutions, corruption and lack of good governance are some of the factors that have overshadowed the leaders' earlier contributions and the country's progress, and fuelled people's discontent.

As analysed in further detail in Section 2 under «Domestic Politics», collusions and divisions among the three septuagenarian leaders fomenting political instability had antagonised the Nepali people. Adding to this were cronyism and corruption scandals that made news headlines frequently. The youth movement dismantled several aspects of Nepal's politics for the better, but at a high cost.

There were also some socio-economic factors that aided the emergence of the movement, which I discuss in Section 3. Although the country's macro-economic fundamentals appeared strong enough with adequate foreign exchange reserves and low inflation, there was subdued economic growth and lack of employment opportunities. The building of foreign exchange reserves was a result of the remittances that Nepali migrant workers abroad sent home routinely. The narrative that Nepal's political class enjoys life at home exporting the country's youth had been firmly established.

While Nepal's Gen-Z movement appears very much as a spontaneous revolt by the youth, K P Oli has also claimed that external forces were at play in the movement, but without concrete evidence [Khabarhub 2025, 15 October]. What could be true, however, is that the dislodgement of Nepal's government under K P Oli might have been received positively by the external actors who had a longstanding antagonistic relationship with Oli.

I analyse Nepal's foreign relations in 2024-2025 in Section 4, not from the perspective of the youth movement per se, but because the topic is important and deserves space in a review article of this nature. The three countries that are strategically the most important for Nepal are India, China and the United States. Hence, I review Nepal's relations with these three countries.

As a review article covering Nepal's contemporary developments in 2024-2025, the article largely relies on materials published in Nepal's established media outlets although it also draws from academic and other sources where available.

2. *Domestic Politics*

One word that would describe Nepal's domestic political scene during 2024-2025 is instability. There were frequent government changes, building of unholy coalitions and squabbles within the political parties. These

were accompanied by several allegations of corruption. There were also unsuccessful attempts at restoring the monarchy and Nepal's recognition of a Hindu state. Senior political leaders had been warned time and again, including by leaders within the political parties, of the storm that was in the making due to poor governance and service delivery. Efforts to compel the senior leaders to mend their ways had been routinely unsuccessful. The country had to wait for a violent Gen-Z movement to instigate the changes. I elaborate these developments in the following sections.

2.1. *Business-as-usual politics*

Before the Gen-Z movement, Nepal held its last general elections in November 2022. In the three years since then, there were four government changes. The first two were headed by Prachanda of the CPN (Maoist Centre) by shifting alliances, first with the Nepali Congress and then with the CPN(UML). Despite being the leader of the third largest party in the lower house of parliament, Prachanda was able to retain his Prime Ministerial berth with the «magic number», as he used to say with pride, he had in the lower house [Nepal Views 2024, 16 November].

Then, in July 2024, Deuba and Oli ditched Prachanda to forge a «grand coalition» between the Nepali Congress and the CPN(UML). A coalition of the two largest parties that were the main rivals in Nepali politics was unusual. The understanding between Oli and Deuba was that the former would become the Prime Minister for the first two years after which Deuba would take charge. For the Nepali people, such unholy coalitions, bereft of ideologies, were nothing more than the leaders' efforts to consolidate power that they had been accustomed to for decades.

Deuba became a member of parliament for the first time in 1991 and was appointed Minister of Home Affairs [Deuba 2026]. He became the Prime Minister for the first time in 1995. Subsequently, he held the Prime Minister's position four more times, the latest in 2021 [Aljazeera 2021, 13 July]. Had the 8-9 September 2025 event not taken place and Deuba had become the Prime Minister again as per his agreement with Oli, it would have been his 6th premiership.

Similarly, Oli first became a minister (also Home Affairs) in 1994, Deputy Prime Minister in 2006, and Prime Minister in 2015. In between 2015 and 2025, he held the Prime Ministerial berth four times, albeit for short periods in each term, as in the case of Deuba, because of the making and breaking of coalitions.

Regarding Prachanda, after the end of the 10-year Maoist insurgency that he had spearheaded, he became the Prime Minister for the first time when his party, the CPN (Maoist), became the largest party in the first Constituent Assembly elections in 2008. He again took that role in 2016 and 2022.

The three leaders had also been their respective party's top brass for a very long time, indulging in all sorts of strategies to retain their leader-

ship positions. Therefore, these three leaders' grip on power, forging of unethical alliances, and political instability during the past 2 to 3 decades had utterly frustrated the Nepali people. This was reinforced by constantly changing coalitions and political instability, including at the provincial levels, which continued in 2024-2025 [Tiwari 2024, 23 January; Gautam & Shah 2024, 5 April].

Power consolidation by a few leaders, reinforced by a small group of cronies, distanced the leaders away from the general people and the real problems on the ground. The senior leaders resorted to the use of different strategies to hold on to power, thus rendering challenges to them from within their parties unsuccessful. For instance, in the CPN(UML), Bidhya Devi Bhandari, who used to be a CPN(UML) leader before serving as the country's president for two full terms from 2015 to 2023, made efforts to return to her previous party a few years after completing her terms as the country's president. This was driven by her desire to replace Oli and become the CPN(UML) chair. But considering the threat to his leadership, Oli applied all strategies to keep her from re-joining the party.

If the party's statute was to be followed through, Oli would not consider Bhandari as his threat because, as per the statute, he would have to step down as the party chair soon after completing two terms in that role and crossing the age of 70. However, he had something else in the plan. In the party's statute convention held in September 2025, right before the Gen-Z protest, he managed to garner enough support in the party to amend the statute and remove the provisions on two-term limits and the retirement age of 70. In the party convention held in December 2025, he re-emerged as the party chair once again, for a third term. This was broadly construed as the CPN(UML) ignoring the Gen-Z movement and its implicit calls for retirement of the old guard.

Bidhya Bhandari's desire to return to active party politics was not welcomed by a large section of the Nepali people. As the country's president, she had been the ceremonial head of the state and everyone's guardian. At the same time, Oli's strategy of consolidating power was also resented by many. Perhaps Oli honouring the party's statute and effecting a leadership transition faithfully rather than strategizing to consolidate power might have discouraged the ex-president too from desiring to re-enter active politics.

Although a former president failed to re-enter party politics despite her desire and efforts, a former vice president made it through. Nanda Kishore Pun, vice president of Nepal from 2015 to 2022, was a leader of the CPN (Maoist) before his appointment as the country's vice president. After the completion of his second term in 2022, he started engaging with his previous party informally in the beginning and was appointed the party's vice chair in April 2025 [Nepal News 2025, 6 April]. This was not unconstitutional, but it was unethical. Activities such as these of the political party leaders had enraged the people.

Sensing people's disenchantment with the political parties that had abolished the monarchy in Nepal, pro-monarchy forces attempted to regain their foothold with the aim of re-establishing the monarchy and a Hindu state. Efforts towards this had gained momentum after the former King, Gyanendra Shah, made an appeal in February 2025, although implicitly, for the same [P. Sharma 2025, 15 May]. The demonstration that was organized in March 2025 in response to the appeal turned violent and claimed two lives, including that of a journalist. However, the movement since then has remained weak, partly because of the feuds within and between the political parties and individuals that have spearheaded efforts for the restoration of the monarchy.

Nepali people's frustration with the established old parties was rather capitalised by the newer parties that had appeared on the country's political scene. The Rastriya Swatantra Party (RSP) in particular, that was established in 2022, had gained unprecedented ground in no time. However, the newer parties were also mired in problems and controversies since their emergence, which continued in 2024-2025.

The RSP, which had emerged as the fourth largest national party in the 2022 elections immediately after its establishment, expelled its General Secretary and Spokesperson, who was a prominent founding member of the party with immense influence, in August 2024 [The Kathmandu Post 2024, 27 August]. He was alleged to have publicised a report that he had authored by collecting people's feedback in several places across the country before discussing it in the party. The report had highlighted the party's weaknesses and its challenges, implicating several leaders, including the party chairman.

As if the intra-party intrigues within the RSP were not enough, the RSP Chairman, Rabi Lamichhane, was arrested in a cooperative fraud case in May 2024. This had followed the report of a probe committee consisting of members of parliament representing the four largest parties. The committee was formed to investigate the case after continuous obstructions of house proceedings by the opposition, Nepali Congress, for more than a month while Lamichhane was Deputy Prime Minister and Home Minister in a coalition government [Giri 2024, 29 May]. The committee had found Lamichhane's indirect involvement in the case. After the formation of a new coalition government in August 2024, a court case was filed against Lamichhane based on the committee report and further investigations by the police.

The case involved cooperative organizations based in several districts, and therefore Lamichhane faced trials in different district courts. Upon preliminary hearings in the case, the courts could not ascertain his innocence. Until they reached a final decision, which would take time, some of the district courts freed him on bail while the others sent him to custody. The Supreme Court also backed the lower courts' rulings of keeping him behind bars until the final verdict [Khabarhub 2025, 24 May].

A significant amount of other RSP leaders' time went into defending Lamichhane and engaging in several activities calling for his release. They were even alleged to have engaged in contempt of the court [The Kathmandu Post 2024, 13 November]. The RSP, organizing a signature campaign to demonstrate people's support for Lamichhane, perhaps with an intent to influence the court's decision, showed an act of desperation [The Kathmandu Post 2025, 22 July]. The RSP came under even sharper scrutiny when, amidst the Gen-Z protest, Lamichhane was broken free from jail by his supporters. This prompted several jailbreaks and the fleeing of thousands of inmates across the country [Republica 2025, 10 September].

Lamichhane's arrest and his jailbreak dented his and the RSP's image to some extent but not substantially. A large section of the people believed that Lamichhane's arrest had been framed by the older parties. An important factor that gave Lamichhane and the RSP an edge over the older parties involved the various corruption scandals that were tagged with the older parties and their leaders.

2.2. *Corruption scandals*

Besides several petty-level instances of corruption, a few high-profile corruption cases emerged in 2024-2025. Prime Minister K P Oli had earlier made some amendments in the Lands Act in favour of a large tea estate, which the Supreme Court in February 2024 annulled, ruling it as against the law [Sah 2024, 8 February]. The Oli government's action of making the amendments in the Lands Act in favour of a company was interpreted as an act of corruption [K.C. 2024, 22 May].

Then, on 5 June 2025, the Commission for the Investigation of Abuse of Authority (CIAA) filed a corruption case against a former Prime Minister, Madhav Kumar Nepal, again in a case related to land dealings [Baral 2025, 10 June]. He was charged with approving the sale of land by a private company against prevailing law.[2] The same month, police arrested Bechan Jha, a prime suspect in the Bhutanese refugee scam, in which several high-profile arrests, including that of a former Minister, had been made in 2023 [Setopati 2024, 18 August]. Arzu Rana Deuba too was alleged to have been involved in this scam, but legal proceedings against her were not made due to the lack of evidence as reported. The arson at her residence on 9 September 2025 destroyed a large amount of cash, it was alleged, and visuals of this went viral on social media, strengthening people's perceptions of her corrupt practices [Dahal & Dudraj 2025, 28 September].

2. Nepal's law has set limits on individual land ownership. But for industrial and commercial purposes, one is allowed to own excess land beyond the limit through state permission. However, such land should be used solely for the purpose it has been permitted for. The law prohibits the sale and other uses of such land permitted beyond the ceiling.

Another major corruption case that surfaced in 2025 was the one involving Nepali immigration officials. They were found to be extorting money from ordinary people and sending them for jobs abroad on short-term temporary visas. The Home Minister, Ramesh Lekhak of the Nepali Congress party, was also alleged to have been involved in this graft. The opposition obstructed the house, calling for his resignation and investigating him in the case [Giri 2025, 27 May]. While the immigration officials were arrested, the CIAA was said to have not found evidence against Lekhak to indict him. But in May 2025, the CIAA filed a corruption case against a former minister and lawmaker from the Nepali Congress party, Mohan Basnet, and 15 other individuals and two companies in the purchase of the Telecommunications Traffic Monitoring and Fraud Control System (Teramocs) by the Nepal Telecommunications Authority [The Kathmandu Post 2025, 15 May].

After the formation of the interim government by the post-Gen-Z movement in September 2025, the CIAA appeared to be more active in investigating and charging high profile individuals in different corruption cases. In October, it filed a charge against a former Speaker of the House, Krishna Bahadur Mahara, alleging his involvement in gold smuggling and organized crime [Bhandari 2025, 13 October]. Another case, which stands out in terms of the number of former ministers charged in a single case, is related to the construction of Pokhara Regional International Airport. Alleging involvement in collusion to inflate the costs of airport construction, breaching procurement laws and compromising construction quality, the CIAA filed a corruption case against 55 senior officials, including five former ministers (one of whom is already deceased), and the contractor, China CMAC Engineering, in December 2025 [Bhandari 2025, 16 December].

Allegations of corruption against K P Oli and his party, CPN(UML), also surfaced when Min Bahadur Gurung, owner of the Bhatbhateni Supermarket chain, donated a large tract of land and committed to constructing the CPN(UML)'s office building at his personal expense. Several leaders of the CPN(UML) were unaware of this and came to know about it only when Oli and Gurung together laid the foundation stone of the building. Accepting such largesse from an individual businessman was severely condemned by the intelligentsia, media and even some of the CPN(UML) leaders [Poudel 2024, 16 October]. This became such a scandalous topic that on 9 September, protestors set ablaze and destroyed 12 stores and vandalised and looted nine others out of the total 28 Bhatbhateni stores throughout the country [Lamsal 2025, 18 September].

Therefore, in 2024-2025, corruption remained a major issue in Nepal, and the CIAA indicted several individuals, including high profile ones. It remains to be seen however, what the court decides in these different cases. The CIAA has often faced the wrath of favouring political leaders and turning a blind eye in many corruption cases against them. The CIAA also does not have a good track record of presenting strong evidence in

court, resulting in a court ruling in favour of the accused [B. Sharma 2024, 14 January]. Whatever the legal outcomes of these high-profile corruption cases, they represent an important domestic political issue that has provided a fillip to a new political party.

2.3. *Gen-Z protest instigated changes*

Prior to the Gen-Z protest, some young leaders, particularly in the Nepali Congress and the CPN (Maoist Centre), had challenged Deuba and Prachanda, respectively, in internal party meetings and publicly, but they had not succeeded in enabling leadership transfer [Poudel 2024, 8 September; Rai 2025, 30 June]. The Gen-Z protest instigated changes in these parties, and in the CPN(UML), although in different ways.

Soon after the protests, Janardan Sharma, the Deputy General Secretary (DGS) of the CPN (Maoist Centre) asked Prachanda to resign as the party chair [Nepal News 2025, 16 September]. But he was unable to mobilise enough leaders to challenge Prachanda. As a result, Sharma himself resigned and joined another party. Prachanda, on the other hand, dismantled the party's central committee and scrapped all positions, including his own as the party chair. But he alone remained at the helm as the coordinator [Khabarhub 2025, 26 September]. Later, in their pursuit of survival, nine smaller communist parties merged with the CPN (Maoist Centre) and formed a new party, the Nepali Communist Party, accepting Prachanda's leadership [Reuters Connect 2025, 6 November].

In the CPN(UML) too, in the immediate aftermath of the Gen-Z movement, several party leaders suggested to Oli that he retire but to no avail [Karki 2025, 24 September]. Instead, Oli convened the party's general convention and got re-elected as the chair. Instead of retiring, he further consolidated his hold on the party.

In the Nepali Congress party, a partner in the coalition government under Oli, the change was historic. And that was despite Deuba's willingness. The relatively young party general secretaries and other cadres intervened in the party, and following due process organized and participated in the party's special general convention. The convention elected one of the general secretaries, Gagan Thapa, an influential leader and Deuba's longstanding challenger, as the party chair. The convention also made several changes in the party's policies. It was a significant shift in the Nepali Congress party triggered mainly by the Gen-Z movement.

Another major change in Nepal's political scene was the entry of Balendra Shah (Kathmandu's independently elected mayor, popularly known as Balen) in the RSP as the party's senior leader and the Prime Ministerial face in the general elections scheduled for 5 March 2026. Despite, or rather because of, the legal problems the RSP chair, Lamichhane, was embroiled in, RSP's support base had expanded over the years. Balen also has a huge popular support base. Therefore, his membership in the RSP and projec-

tion as the future Prime Minister exerted a huge pressure on the erstwhile political parties.

Therefore, Nepal's domestic political landscape of 2024-2025 can be described as one of rupture in a long-held business-as-usual politics. It is not that the coalition culture had all the pitfalls. Unlike in many other South Asian countries, coalition politics in Nepal was also the country's strength in navigating several complexities. For example, the peace process in Nepal had remained incomplete mainly because the law on transitional justice had not been revised and made effective. This was rectified in August 2024 when the major political parties reached an understanding on revising it. Subsequently, the law was revised and endorsed [Ghimire 2024, 15 August]. Furthermore, there were concerns with the revisions not being conducive to conflict victims. Despite the revision of the law, transitional justice remains elusive in the country [Ghimire 2024, 19 September].

With the changes that have followed the Gen-Z movement, it remains to be seen how Nepal navigates the complex political realities, and what changes it will usher in the Nepali economy and society at large. Ultimately, once the political dust settles, people's attention will immediately turn to socio-economic deliveries. And Nepal had a mixed performance on the socio-economic front in 2024-2025.

3. *Economic performance*

In the fiscal year (FY) 2023-2024, Nepal's real gross domestic product (GDP) growth rate was 3.67 per cent, a low figure for an economy with an already low GDP.[3] The expected GDP growth in FY 2024-2025 was 4.61 per cent.[4]

The services sector occupies the largest share of Nepal's GDP (around 60 per cent), followed by agriculture (around 25 per cent) and industry (around 15 per cent). Over the past few years, the share of services has been on an increasing trend and that of industry decreasing. This trend continued in FY 2023-2024 and FY 2024-2025 as well. The share of manufacturing (within industry) has hovered around a mere 5 per cent. In a country where unemployment has been one of the main reasons for the youths' growing discontent and exodus, the underperformance of the manufacturing sector has been a major concern.

In the following sections, I analyse Nepal's economic performance in 2024-2025 in two parts: 1) trade, investment and foreign reserves; and

3. Nepal's fiscal year starts mid-July. The country's GDP at current price in FY 2023-2024 was just around US$ 43 billion, and the nominal per capita GDP was US$ 1,496.

4. Actual GDP growth rate of FY 2024-2025 was not available at the time of writing this article. In the earlier FY 2023-2024, the estimated GDP growth rate was 3.87%, which later was revised to 3.67%.

2) economic challenges, attempted reforms and impacts of the Gen-Z movement.

3.1. *Trade, investment and foreign reserves*

Although agriculture contributes around a quarter of the GDP, and around 60 per cent of the Nepali people still depend on it for employment, the country lacks enough agriculture output to meet its domestic requirements. In addition, underperformance in the manufacturing sector has resulted in Nepal experiencing massive trade deficits, which continued in the past two years (see Table 1).

Table 1: Nepal's merchandise trade (US$ million)

	FY 2023-2024	FY 2024-2025
Export	1,370.9	2,258.5
Import	11,801.6	12,909.8
Trade deficit	10,430.7	10,651.3

Source: Nepal Rastra Bank 2025.

Nepal's trade performance has seen fluctuations over the past few years, but it is mostly rising. The spike in its exports in FY 2024-2025 was significant. It was not, however, due to an enhancement of Nepal's domestic economic strength. Rather, it was a result of a change in India's import policy of some edible oil. When India imposed higher tariffs on imports of soybean and sunflower oil from other non-South Asian countries, Nepal benefited from the duty-free facility on these exports to India based on the Agreement on South Asian Free Trade Area (SAFTA). Nepal imported the crude form of these oils from other countries, added some value in refinement and packaging and then exported them to India [P. Sharma 2025, 30 July].

Nepal's rise in exports enabled by a change in India's trade policy has raised questions on the sustainability of Nepal's rising exports. Nepal also faced hurdles in exports of a few products such as cement, plywood and shoes, in which Nepal appears to have a competitive edge, to India in 2024 and 2025 [P. Sharma 2025, 21 March]. Because India is Nepal's largest trade partner historically, disruptions in bilateral trade between the two countries have a quick and significant impact on Nepal.

Nepal's exports to its another giant neighbour, China, is miniscule at 1-2 per cent of Nepal's total exports, although Nepal's imports from China are its second largest after India, at around 20 per cent. After India, Nepal's major export markets are the United States (US) and the European Union (EU). However, Nepal's exports to these economies pale in comparison with Nepal's exports to India. Yet, the exports, which comprise around 10-15 per cent of Nepal's total exports to each of these economies, are important for

Nepal particularly because the major products that Nepal exports to these economies are labour-intensive items such as textiles, garments and handicraft products that engage many women.

The Trump administration's imposition of reciprocal tariffs on imports of several countries after assuming the US presidency for the second time in January 2025 impacted these countries' exports to the US. However, Nepal was spared by being slapped with only the minimum 10 per cent because Nepal has a trade deficit with the US. Since most of Nepal's other South Asian neighbours faced higher tariffs, there were expectations that Nepal might even be able to benefit from the low tariffs its exports would face in the US. However, these expectations could not become a reality for several reasons.

An important milestone in Nepal's development journey, of which trade is an important and integral part, is its upcoming graduation from the LDC group in November 2026. While this is a feat worth celebrating for sure, it also brings some challenges, particularly the loss of preferential market access in Nepal's exports to some countries. Hence, in the aftermath of the Gen-Z protest, Nepal's private sector was demanding the Nepali government request the United Nations for yet another deferral from graduation, which Nepal had once made successfully in 2018 because of the lingering effects of the 2015 earthquake. However, as I have argued elsewhere, Nepal might not have a strong case for the request this time [P. Sharma 2025, 10 November]. It would be in the country's interest to move ahead and exit the LDC group.

An area where Nepal made encouraging progress in the past two years is hydropower generation and export By the end of 2025, Nepal's installed hydropower generation capacity reached nearly 4,000 megawatts (MW). Although a small figure compared to Nepal's potential estimated at 43,000-83,000 MW, it is impressive progress made in the past few years. There are efforts underway to meet Nepal's expected generation of 28,000 MW by 2034.

In January 2024, Nepal and India signed a bilateral long-term power purchase agreement according to which Nepal would export 10,000 MW of electricity to India in the next 10 years. Nepal also became a net electricity exporter to India for the first time in FY 2023-2024. In addition to these encouraging developments, Nepal also started exporting 40 MW of electricity to Bangladesh via India under a tripartite agreement between the three countries [P. Sharma 2026].

To make further progress in its overall economic performance and exports, Nepal needs significant investments. As an LDC with limited financial resources and technological capacity, Nepal has been vying for foreign direct investment (FDI) inflows since the 1990s. However, for several reasons, Nepal has not been able to attract substantial FDI in the past three decades. This remained true in 2024 and 2025 as well. In FY 2023-2024 and

FY 2024-2025, Nepal's FDI receipts were US$ 63.8 million and US$ 88.4 million, respectively, which were less than 15 per cent of the committed FDI in those years [Nepal Rastra Bank 2025].

Amidst the gloom in the low level of actual FDI realisation, in July 2025, Nepal's Department of Industry approved a Chinese investment of US$ 144 million to establish a buffalo meat processing industry in Nepal [Nepal Connect 2025, 22 August]. If successful, the project is expected to create more than 5,000 jobs in Nepal and export buffalo meat worth around US$ 1 billion to China [B. Sharma 2025, 29 July]. Groundwork for the industry's establishment had commenced soon after the approval [People's Review 2025, 25 November].

Nonetheless, Nepal's cumulative FDI has remained extremely low. It has not contributed to enough job creation in Nepal and in attracting a large amount of foreign exchange and new technologies. For the necessary foreign exchange, Nepal's main source has been the remittances it receives from its citizens working abroad.

Despite the huge trade deficit and low levels of FDI inflows, Nepal's current account and balance of payment (BoP) remained in surplus in 2024 and 2025. Massive remittance inflows to the country, around a quarter of the country's GDP, have been the chief contributors for these surpluses. In FY 2023-2024 and FY 2024-2025, Nepal's net remittance receipts were US$ 10.8 billion and US$ 12.5 billion, respectively. Such remittance receipts have enabled Nepal to hold high levels of foreign exchange reserves that would be sufficient to import goods and services for more than 15 months. Therefore, Nepal's external economy remained robust in 2024 and 2025.[5]

Had it not been for foreign employment opportunities for Nepali youths, Nepal's political, economic and social conditions might be bleaker than they appear today. Lack of adequate employment opportunities at home might be a recipe for a bigger disaster. However, Nepali youths' exodus from the country is also resented by a large section of the Nepali populace. The exodus is blamed for the increasing abandonment of agriculture, but conversely, Nepali youths are abandoning agriculture because of low/no returns from the sector despite the hard toil. Therefore, foreign employment and remittances have been a lifeline for many Nepali households. Remittances have also been a cause for higher imports and trade deficit since they have fuelled a consumption-based economy.

3.2. *Economic challenges, attempted reforms and impacts of the Gen-Z movement*

Although there were some promising developments in Nepal during 2024-2025, there were also problems, particularly with the domestic economy [P. Sharma 2024, 22 July]. Efforts aimed at controlling speculative land transactions, which were a main propeller of the domestic economy, resulted in

5. The data in this paragraph are sourced from Nepal Rastra Bank [2025].

overall subdued general demand. Banks saw a rise in their non-performing loans (NPLs). Credit disbursements from banks reduced significantly despite a substantial fall in interest rates. The banks were flush with liquidity, which the central bank had to manage by absorbing the excess liquidity from the market. More importantly, there were several cases of fraudulent activities in credit cooperatives, which hindered savers from accessing their savings, and hence causing a suppression in general demand [Dhakal 2025, 13 April].

After the formation of the «grand coalition» between the Nepali Congress and CPN(UML) in July 2024, some economic reforms were attempted, which were appreciated by the private sector. To implement the reforms, a few legal amendments were essential. Rather than take the parliamentary route to make the amendments, which certainly would be tortuous and time consuming, the government tried to amend them through ordinances. This was opposed by the opposition parties, and therefore the reforms could not progress further [P. Sharma 2025, 17 January; The Kathmandu Post 2025, 31 January].

The government also formed a high-level economic reform commission in October 2024 to provide recommendations for the improvement of domestic economic conditions. The commission submitted its report to the government in April 2025 [Dhakal 2025, 13 April]. But before the government could act on the recommendations (if it would), the 8-9 September movement upended everything in the country.

The mayhem of 8-9 September 2025 resulted in loss and damage to infrastructure and the economy, although not to the extent as was initially feared. There were apprehensions that the movement might have possibly impacted tourism significantly. The World Bank projected that Nepal's economy might grow by only 2.1 per cent, which was a downward revision from its earlier projection of 4.6 per cent [The World Bank 2025, 13 November].

However, actual data on loss and damage collected from the affected sources showed that the total physical damage to public and private property was around US$ 586 million [G. Sharma 2025, 12 December], which was much less than the earlier assumptions [Parajuli et al. 2025, 17 September]. Similarly, there was an increase in tourist arrivals by 3.3 per cent in October 2025—the next month of the protests—compared to the arrivals in October 2024 [Fiscal Nepal 2025, 12 November]. Nevertheless, there were disruptions to the economy because of the unrest, which contributed to the already subdued economic activities.

Despite the losses and damages incurred by the private sector, their show of confidence and the pledge to rebuild was encouraging. The government, particularly through the Ministry of Finance, made efforts to boost their morale and drive economic activities forward. At the same time, however, reigniting the conflict over the payment of electricity dues by the Min-

istry of Energy, Water Resources and Irrigation against some industries at such testing times also invited controversy.[6]

4. *International Relations*

Nepal's foreign policy lacks consistency [Bhattarai 2022]. Among the major political parties that have led Nepal's governments for decades, the communist parties are alleged to be closer to China and the Nepali Congress to India. And Nepal's relationships with these two giant neighbours, besides the United States (US), largely defines Nepal's international relations. Therefore, formation of the «grand coalition» between the Nepali Congress and CPN(UML) in July 2024 was an important juncture in Nepal's politics from the perspective of Nepal's external affairs.

4.1. *Nepal-India relations*

K P Sharma Oli's relations with New Delhi deteriorated significantly in 2015 when Oli took a hard stance against New Delhi opposing its unofficial trade blockade on Nepal [Bhattarai 2022]. The relationship did not improve substantially during his premiership in 2018-2021. When Oli assumed the Prime Ministerial role for the fourth time in July 2024 in a coalition with the Nepali Congress, it was expected that there could be an improvement in his relationship with India. However, unlike the usual practice of every new Nepali Prime Minister making his first foreign visit to India upon the latter's invitation, New Delhi did not extend an invitation to Oli.

Arzu Rana Deuba, Nepal's foreign minister in the grand coalition government visited India in August 2024. She was given a special welcome and treatment by India, which was seen as India's signal to Oli about its preference [Ghimire 2024, 22 November; Wagle 2024, 26 August]. The foreign minister's visit to India was also an effort to get an invitation for Oli's India visit, which, however, did not materialize [Haidar 2024, 14 November].

6. This is a longstanding dispute in Nepal that first arose in 2018. The Nepal Electricity Authority (NEA), particularly under the leadership of Kulman Ghising, who is credited for ending loadshedding in Nepal, claimed that several Nepali industries had not paid their premium tariff dues on electricity supplied to them under special arrangements during years of severe power cuts to ordinary Nepali citizens. This issue had been highly politicized and taken to court. When Ghising became the energy minister in the interim government after the youth protest in September 2025, his first decision was to collect these dues. Ghising was a popular figure because of his achievement in eliminating loadshedding from the country and for the hard stance he had taken against the industries compelling them to pay the dues. But he was also criticized by the others for not following due process, particularly when the private sector faced unprecedented setbacks from the Gen-Z movement.

Oli met India's Prime Minister, Narendra Modi, in New York in September 2024 at the sidelines of the 79th session of the United Nations General Assembly. The two leaders, however, did not discuss anything substantive. They merely agreed to reactivate the existing bilateral mechanisms between the two countries to resolve contentious issues and strengthen cooperation [Giri & Panday 2024, 24 September].

The two leaders then met in Bangkok in early April 2025 at the sidelines of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) Summit. The official statements by both sides about this meeting indicated that the meeting was held in a cordial manner and regular issues on bilateral cooperation were discussed [Embassy of Nepal in Bangkok 2025, 4 April; Ministry of External Affairs, Government of India 2025, 4 April]. However, there were readings in Nepal that the meeting between the two leaders might have been sour [The Kathmandu Post 2025, 8 April].

Despite the lack of a visible improvement in the relationship between Oli and Modi and New Delhi's worsened relationship with Dhaka after the fall of the Sheikh Hasina regime in Bangladesh, Nepal, India and Bangladesh signed the tripartite agreement on exporting Nepal's electricity to Bangladesh via India in early October 2024 [P. Sharma 2024, 8 October]. This, together with the signing of the bilateral long-term power purchase agreement between India and Nepal earlier in January 2024 was a significant development in India-Nepal relations during 2024-2025.

There are two other issues that deserve importance in a review of Nepal-India relations during 2024-2025. One is the suspicion in Nepal that India might have played a tacit role in Nepal's pro-monarchy movements. The second (which also involves China) is Nepal's reservations on the India-China deal on the Lipulekh pass.

Regarding the first, at the pro-monarchy rallies in Nepal in early 2025, protestors had carried placards with images of Yogi Adityanath, the Chief Minister of the Indian state of Uttar Pradesh. Given Adityanath's close relationship with Nepal's former monarch, his endorsement of the monarchy during a public meeting in Kathmandu several months earlier, and frequent meetings between the two, there were suspicions in Nepal that Adityanath might be supporting Nepal's pro-monarchy movements. Hence, in April 2025, Nepal's Ambassador to India, Shankar Prasad Sharma, met Adityanath to seek clarification on whether he was providing the alleged support. It was reported that the Chief Minister rejected such claims [Republica 2025, 12 April]. Earlier, Nepal's foreign minister, Arzu Rana Deuba, had also asked her Indian counterpart S. Jaishankar about the claims being made about India's support for the pro-monarchy and pro-Hindu groups in Nepal, which he categorically denied [Giri 2025, 19 March]. This episode did not put a strain on India-Nepal relations.

But the second issue, that is the India-China deal on resuming their border trade through the Lipulekh pass, which Nepal claims as its own and

has included in its official map, drew Nepal's ire [Giri 2025, 22 August; P. Sharma 2025, 3 September]. As stated by Oli in the Nepali Parliament, he registered his objections to this deal with the Chinese President Xi Jinping during his visit to China in August 2025. As reported, the Chinese President said it was a bilateral issue between Nepal and India and so the two countries should resolve it bilaterally, further stating that China would welcome the outcome [P. Sharma 2025, 3 September].

It was reported that Oli had received an invitation for a meeting with Modi in Bodh Gaya in Bihar, India, in September 2025 and that he would discuss Lipulekh, among other things, with Modi during the meeting [Baral 2025, 22 August; People's Review 2025, 5 September]. Questions abound on whether the meeting between the two leaders would eventually take place, and whether Oli would raise the issue of Lipulekh with Modi. This was being observed keenly in Nepal, but the 8-9 September movement compelled Oli to relinquish his premiership.

4.2. *Nepal-China relations*

Regarding Nepal-China relations, the visit by Chinese delegations to Nepal at various levels has increased significantly in the past few years. This continued in 2024-2025 as well, including after the formation of the «grand coalition» between the Nepali Congress and the CPN (UML) [Giri 2024, 19 January; The Kathmandu Post 2024, 27 January; Bhattarai 2024, 11 November]. There were also a few high-level visits from Nepal to China represented by all major political parties in Nepal, but most commonly the communist parties.

Of these few visits, two official visits in 2024 and 2025 produced some tangible outcomes. One was the visit by Narayan Kaji Shrestha, Nepal's foreign minister in the Prachanda-led government, in late March 2024 before the formation of the «grand coalition». Upon Nepal's request to China during this visit, China re-opened the 14 traditional border points between the two countries that China had closed since the COVID-19 pandemic. Beijing also agreed to waive the visa fees for Nepali visitors to China, reciprocating Nepal's waiver of such fees for Chinese travellers since 2016 [P. Sharma 2024, 9 April].

The second was the visit by Prime Minister Oli in December 2024 when the two countries signed nine deals related to infrastructure, trade and development cooperation [The Kathmandu Post 2024, 3 December]. But the most significant was the breakthrough in the Belt and Road Initiative (BRI) implementation plan that had remained in limbo for a long time. There was a lack of consensus in Nepal on the financing modality of BRI projects. The Nepali Congress would agree to implement the projects only if China would provide grants for their execution, which China would not agree to [Adhikari & Acharya 2025]. After rigorous discussions and back-and-forth exchanges between the two sides, a deal was reached during Oli's visit in December 2024 that the financing modality for the BRI projects

would be «aid financing» [Ministry of Foreign Affairs, Government of Nepal 2024], which was interpreted as meaning both grants and concessional loans [P. Sharma 2024, 10 December].

Oli's visit to China again in September 2025 to attend China's victory parade after participating in the Shanghai Cooperation Organisation (SCO) Summit also attracted widespread attention. There were divided opinions in Nepal on whether he should have attended the parade. This is particularly because the parade was organized to celebrate China's victory over Japan, highlighting a diplomatic row between the two countries, whereas Japan has been Nepal's important development partner for decades. Participating in the parade could be seen as Nepal taking sides with China against Japan, irking the latter that had asked countries to skip China's World War II commemorative events in September 2025 [People's Review 2025, 29 August].

It was soon after Oli's return from China that the Gen-Z movement happened in Nepal. Therefore, how Nepal's international relations might have unfolded under the «grand coalition» in the context of Oli's uncomfortable relationship with New Delhi and his perceived cosy relationship with Beijing remained unclear.

4.3. *Nepal-US relations*

There was nothing significant in Nepal's relationship with the US in 2024. The two countries maintained their usual cordial relationships, established a bilateral consultation mechanism, continued discussions on the bilateral Trade and Investment Framework Agreement (TIFA), and had a few high-level visit exchanges.

But in 2025, Nepal felt the impacts of the US foreign policy changes. In particular, the Trump administration's decision to shut down the United States Agency for International Development (USAID) impacted several projects on health, education, agriculture, infrastructure, economic growth, humanitarian aid and women and children empowerment in Nepal that were run with USAID support [Pradhan 2025, 26 January].

The US$ 500 million Millennium Challenge Corporation (MCC) Nepal Compact was initially also frozen by the US [Ranjan 2025, 24 February]. However, it was only a temporary freeze. After a review, the US decided to continue the Compact. Hence, infrastructure building for electricity transmission and highway maintenance works—the two specific project areas under the Compact—continued after the temporary halt.

5. *Conclusion*

The Gen-Z movement of 8-9 September 2025 is a political watershed in Nepal's history. It challenged the established political parties to make significant internal reforms. The collective strength of Balendra Shah and the

RSP, both with huge support bases, has significantly added to the pressures facing the old parties.

To gain their lost ground, the older parties need to undergo massive transformations in leadership and governance. Without this, regaining the trust of the people could be an insurmountable challenge. The youth's discontent with Nepal's limited socio-economic progress in 2024-2025 indicates their high aspirations and demands for visible improvements in governance and service delivery.

The new government in Nepal will be faced with the several challenges discussed in this article in areas of politics, economics and international relations. The loss of some LDC-specific preferences upon Nepal's scheduled LDC graduation in November 2026, growing climate impact, and above all the high expectations of the youth on governance, jobs and incomes are some of the important challenges that the new government must address. The government should be well prepared for an uphill task ahead.

Bibliography

Adhikari, Monalisa & Anurag Acharya, 2025, 'Navigating infrastructural rivalries in global politics: The MCC, the BRI, and Nepal's domestic agency', *Asian Studies Review,* 50(2), pp. 357-378.

Aljazeera, 2021, 13 July, 'Sher Bahadur Deuba: veteran Nepali politician sworn in as PM', *Aljazeera*.

Bam, Arun, 2024, 6 November, 'Police investigating «Prime Minister must be killed» video statement made by Japan-based Nepali vlogger, *Republica*.

Baral, Biswas, 2025, 10 June, 'Nepal's landmark corruption case against Ex-Prime Minister Madhav Nepal', *The Diplomat*.

Baral, Biswas, 2025, 22 August, 'Finally, India extends Nepali PM Oli an invitation to visit', *The Diplomat*.

Bhandari, Rajneesh, 2025, 13 October, 'Nepal's former speaker charged with gold smuggling, organized crime', *Organized Crime and Corruption Reporting Project.*

Bhandari, Rajneesh, 2025, 16 December, 'Nepal charges airport project chief with $172k corruption', *Organized Crime and Corruption Reporting Project*.

Bhattarai, Gaurav, 2022, *Nepal between China and India: difficulty of being neutral*, Palgrave Macmillan.

Bhattarai, Kamal Dev, 2024, 11 November, 'China's evolving engagement with Nepal', *The Annapurna Express*.

Dahal, Matrika & Daya Dudraj, 2025, 28 September, 'Money laundering inquiry launched against former prime ministers, ex-minister', *The Kathmandu Post*.

Deuba, Sher Bahadur, 2026, 'Political timeline'. https://sherbahadurdeuba.com/political-timeline/

Dhakal, Binod, 2025, 13 April, 'Nepal's economic reform blueprint: everything you need to know about high-level economic reform commission report', *Nepal News*.

Embassy of Nepal in Bangkok, 2025, 4 April, 'Press release'.
Fiscal Nepal, 2025, 12 November, 'Hotel occupancy soars as tourist arrivals rise in Nepal, signs of a strong rebound in hospitality and tourism', *Fiscal Nepal*.
Gautam, Ghanshyam & Arjun Shah, 2024, 5 April, 'Lumbini, Sudurpaschim chief ministers quit without facing votes of confidence', *The Kathmandu Post*.
Ghimire, Binod, 2024, 15 August, 'Nepal's peace process gets fresh push after transitional justice law revision endorsed', *The Kathmandu Post*.
Ghimire, Binod, 2024, 19 September, 'Law revised, but political row stalls transitional justice', *The Kathmandu Post*.
Ghimire, Yubaraj, 2024, 22 November, 'Nepal PM K P Oli's Beijing visit may not win him points at home', *The Indian Express*.
Giri, Anil, 2024, 19 January, 'Communist unity top on agenda as Chinese flock to Nepal', *The Kathmandu Post*.
Giri, Anil, 2024, 29 May, 'House panel will probe cooperatives linked to home minister, others', *The Kathmandu Post*
Giri, Anil, 2025, 19 March, 'Jaishankar denies Indian hand in Nepal royalist movement', *The Kathmandu Post*.
Giri, Anil, 2025, 27 May, 'Congress shields home minister as visit visa scam sparks uproar', *The Kathmandu Post*.
Giri, Anil, 2025, 22 August, 'Nepal leaders unite to denounce India-China deal on Lipulekh', *The Kathmandu Post*.
Giri, Anil & Jagdishor Panday, 2024, 24 September, 'Oli-Modi meeting: India, Nepal agree to revive mechanisms for fixing pending issues', *The Wire*.
Haidar, Suhasini, 2024, 14 November, 'No invite from India, Nepal PM Oli heads to China on first visit abroad', *The Hindu*.
Hatlebakk, Magnus, 2017, *Nepal: a political economy analysis*. Oslo: Norwegian Institute of International Affairs.
K.C., Balaram, 2024, 22 May, 'Commentary of Giribandhu purnapatha', *Kantipur*.
Karki, Shristi, 2024, 20 September, 'Common minimum performance', *Nepali Times*.
Karki, Tapendra, 2025, 24 September, 'UML chairman Oli shows no sign of stepping down despite Gen Z's call', *Republica*.
Khabarhub, 2025, 15 October, 'Oli blames foreign-backed conspiracy for Gen-Z violence', *Khabarhub*.
Khabarhub, 2025, 24 May, 'Rabi Lamichhane to remain in prison as supreme court labels him mastermind in cooperative fraud case', *Khabarhub*.
Khabarhub, 2025, 26 September, 'Prachanda: I am no longer the Maoist chair, now the coordinator', *Khabarhub*.
Lamsal, Sangya, 2025, 18 September, 'Bhat-Bhateni burning', *Nepali Times*.
Ministry of External Affairs, Government of India, 2025, 4 April, 'Press release: Prime minister meets prime minister of Nepal on the sidelines of the BIMSTEC Summit'.
Ministry of Foreign Affairs, Government of Nepal, 2024, 27 December, 'Framework for Belt and Road cooperation between the Government of Nepal and the Government of the People's Republic of China'.
Nepal Connect, 2025, 22 August, 'Hopeful foreign investments in the first month of the new fiscal year', *Nepal Connect*.
Nepal News, 2025, 6 April, 'Nepal News evening briefing', *Nepal News*.

Nepal News, 2025, 16 September, 'Janardan Sharma pushes for Prachanda's resignation in Maoist Centre', *Nepal News*.
Nepal Rastra Bank, 2025, 'Current macroeconomic and financial situation (based on annual data of 2024/25)', *Nepal Rastra Bank*.
Nepal Views, 2024, 16 November, 'Chairperson Dahal: magic number 32 still exists; our party will overturn government', *Nepal Views*.
Parajuli, Rama, Kamal Pariyar & Kelly Ng, 2025, 17 September, 'Politicians get rich while we suffer – so I helped bring down our government in 48 hours', *BBC*.
People's Review, 2025, 25 November, 'Meat processing factory being constructed in Sindhuli', *People's Review*.
People's Review, 2025, 29 August, 'Japan may be irked by PM Oli's participation in China's «Victory Parade»', *People's Review*.
People's Review, 2025, 5 September, 'Oli says he raise Lipulekh issue with Xi clearly, will do so with India too', *People's Review*.
Poudel, Purushottam, 2024, 1 September, 'Experts call for timely initiatives to address public anger', *The Kathmandu Post*.
Poudel, Purushottam, 2024, 8 September, 'Congress shelved its exit policy but debate on term limits rages', *The Kathmandu Post*.
Poudel, Purushottam, 2024, 16 October, 'UML under fire over Bhatbhateni owner's «generous» donations', *The Kathmandu Post*.
Pradhan, Kishor, 2025, 26 January, 'How USAID cut affects Nepal', *Nepali Times*.
Rai, Dhanbal, 2025, 30 June, 'Leadership rift deepens within Maoist Center', *Republica*.
Ranjan, Amit, 2025, 24 February, 'The MCC, the BRI and Nepal', ISAS Briefs, NUS Institute of South Asian Studies.
Republica, 2023, 21 March, 'Youths chant slogans against PM Dahal in New Baneshwor', *Republica*.
Republica, 2025, 12 April, 'Deuba retracts statement on Adityanath on Nepal's pro-monarchy protests', *Republica*.
Republica, 2025, 10 September, 'Rabi Lamichhane's release under scrutiny as over 7,000 inmates escape jails', *Republica*.
Reuters Connect, 2025, 6 November, '10 communist parties merge in Nepal to form "Nepali Communist Party" ahead of the March 5 elections', *Reuters Connect*.
Sah, Bal Krishna, 2024, 8 February, 'SC annuls Oli cabinet's decision to allow swapping of Giri Bandhu Tea Estate land', *The Himalayan Times*.
Setopati, 2024, 18 August, 'Court remands Bechan Jha to judicial custody for investigation', *Setopati*.
Sharma, Bhasha, 2024, 14 January, 'CIAA fails to meet public expectations to contain corruption', *Republica*.
Sharma, Bhuwan, 2025, 29 July, 'Chinese company to establish meat industry in Sindhuli with Rs 20 billion', *Republica*.
Sharma, Gopal, 2025, 12 December, 'Nepal says economy suffered $586 million hit from «Gen Z» protests', *Reuters*.
Sharma, Puspa, 2024, 9 April, 'Nepal-China connectivity endeavours', ISAS Briefs, NUS Institute of South Asian Studies.
Sharma, Puspa, 2024, 22 July, 'Nepal's political and economic challenges', ISAS Briefs, NUS Institute of South Asian Studies.
Sharma, Puspa, 2024, 8 October, 'Tripartite pact on electricity trade: climate challenges remain', ISAS Briefs, NUS Institute of South Asian Studies.

Sharma, Puspa, 2024, 10 December, 'Finally, BRI projects to advance in Nepal?', ISAS Briefs, NUS Institute of South Asian Studies.
Sharma, Puspa, 2025, 17 January, 'Nepal's crippling economy: public frustration and government response', ISAS Briefs, NUS Institute of South Asian Studies.
Sharma, Puspa, 2025, 21 March, 'Nepal's trade with its giant neighbours', ISAS Briefs, NUS Institute of South Asian Studies.
Sharma, Puspa, 2025, 15 May, 'Restoration of Nepal's monarchy: a purposeless call', ISAS Briefs, NUS Institute of South Asian Studies.
Sharma, Puspa, 2025, 30 July, 'Nepal's rising exports are no cause for celebration', *East Asia Forum*.
Sharma, Puspa, 2025, 3 September, 'India-China latest understanding: Nepal feels betrayed', ISAS Briefs, NUS Institute of South Asian Studies.
Sharma, Puspa, 2025, 17 September, 'Unrest and reckoning: Nepal's political watershed', ISAS Insights, NUS Institute of South Asian Studies.
Sharma, Puspa, 2025, 10 November, 'LDC graduation in question: diverging paths for Bangladesh and Nepal?', ISAS Briefs, NUS Institute of South Asian Studies.
Sharma, Puspa, 2026, 'Competition or cooperation? China and India in clean and renewable energy transition in Nepal and Bangladesh', In Amit Ranjan, Agnieszka Malgorzata Nitza-Makowska and Elo Suld (eds.), *India, China, and climate change governance: leadership and responsibility in the Asian Global South*. Routledge. [forthcoming]
Thapa, Ganga B. & Jan Sharma, 2009, 'From insurgency to democracy: the challenges of peace and democracy-building in Nepal', *International Political Science Review*, 30(2), pp. 205-219.
The Kathmandu Post, 2024, 27 January, 'Chinese politicians meeting Nepali leaders', *The Kathmandu Post*.
The Kathmandu Post, 2024, 27 August, 'Rastriya Swatantra Party expels Mukul Dhakal from party', *The Kathmandu Post*.
The Kathmandu Post, 2024, 13 November, 'Supreme court allows contempt of court petition against RSP leaders', *The Kathmandu Post*.
The Kathmandu Post, 2024, 3 December, 'Nepal, China sign nine deals', *The Kathmandu Post*.
The Kathmandu Post, 2025, 31 January, 'Opposition firm against ordinances with house set to sit', *The Kathmandu Post*.
The Kathmandu Post, 2025, 8 April, 'Oli hints his Bangkok meeting with Modi did not go well', *The Kathmandu Post*.
The Kathmandu Post, 2025, 16 April, 'Gagan Thapa blasts government over rising discontent', *The Kathmandu Post*.
The Kathmandu Post, 2025, 15 May, 'Corruption case filed against 16 individuals, 2 companies over Teramocs procurement scam', *The Kathmandu Post*.
The Kathmandu Post, 2025, 22 July, 'RSP's signature campaign triggers debate', *The Kathmandu Post*
The World Bank, 2025, 13 November, 'Nepal's growth expected to slow in FY26 amid political transition', *The World Bank*.
Tiwari, Ajit, 2024, 23 January, 'Janamat Party quits Madhesh government', *The Kathmandu Post*.
Wagle, Achyut, 2024, 26 August, 'Rana's southern sojourn', *The Kathmandu Post*.

Sri Lanka 2025: Maiden year of the NPP administration

Gulbin Sultana

Manohar Parrikar Institute for Defence Studies and Analyses
gulbin.sultana@gmail.com

Despite enjoying an absolute majority in the Parliament, overwhelming popular support, and weak opposition, the National People's Power (NPP) administration's first year in office was far from smooth. It confronted internal and external challenges that tested both its resolve and capability, as well as exposed the party's inexperience in governing the country in challenging times. The government succeeded in changing the political culture and demonstrated its strong political will to bring structural reforms by enhancing governance in the country, but effective implementation is still pending. While it managed to sustain the economic recovery process, natural disasters imposed additional fiscal pressures. The government tried to pursue a balanced, pragmatic foreign policy, yet continued to face complex geopolitical and geostrategic challenges. Nevertheless, the NPP government could navigate through these obstacles and ensured political stability in 2025. People are, however, growing impatient for tangible economic results and the fulfilment of promises for systemic change beyond the initial measures.

Keywords – Sri Lanka; President Anura Kumara Dissanayake; foreign policy; governance; political development; economic development.

1. *Introduction*

The historic political shift marked by the victory of the National People's Power (NPP), a centre-left coalition, in Sri Lanka's 2024 presidential and parliamentary elections generated both optimism and apprehension regarding the prospect for meaningful reform and economic recovery. The year 2025 thus became a critical test for the ruling party to demonstrate its ability to meet public expectations and deliver on its ambitious election promises. Dispelling many of the doubts raised by its opponents, the NPP government succeeded in maintaining political stability, fostering communal harmony, sustaining economic growth momentum, and securing the goodwill of the international community. However, the outcome of the 2025 local council elections demonstrates that the wave of euphoria that brought the NPP to power has begun to ebb, even though President Anura Kumara Dissanayake's personal popularity endures. While there remains considerable confidence in Dissanayake administration's political will to pursue long-awaited policy reforms, concerns persist about whether it possesses

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

the strategic adroitness and the autonomy to realise its policy vision- «A Thriving Nation, A Beautiful Life» [NPP Manifesto 2024, August]. These concerns have been amplified by the government's handling of climate vulnerabilities and the regional and global geostrategic challenges confronting the country over the past year.

In this background, the paper analyses the political, economic and foreign policy developments in Sri Lanka in the year 2025.

2. *Political developments*

The policy vision of the NPP government- «A Thriving Nation, A Beautiful Life», according to Prime Minister Haruni Amarasuriya, commits to building a country «where democracy is deepened, where economic justice is prioritised and where voices of the marginalised are not just heard but centred in decision making» [Ministry of Foreign Affairs, Foreign Employment and Tourism- Sri Lanka 2025]. Guided by the policy vision, the government prioritised its focus on improving the governance and changing the political culture of the country. In this regard, the government launched the 'Clean Sri Lanka' programme on 1 January 2025. The 'Clean Sri Lanka' programme is a «holistic undertaking aimed at nation-wide efforts of environmental, social, and governance initiatives to bring about change, integration, and collaboration, in environmental, social and governance structures» [Ministry of Foreign Affairs, Foreign Employment and Tourism-Sri Lanka 2025, 25 February].

2.1. *Improving governance*

To strengthen governance, the government launched a National Anti-Corruption Action Plan 2025-2029[1] on 9 April 2025, and enacted the Anti-Corruption and Asset Recovery Act [Office of the Cabinet of Ministers - Sri Lanka 2025, 24 March]. The passage of the long-pending Asset Recovery Act marks a significant milestone in the country's anti-corruption framework, addressing a critical legal gap and empowering authorities to combat illicit enrichment, bribery, and money laundering more effectively.

In pursuit of justice and fairness, the authorities initiated independent investigations and prosecuted alleged perpetrators regardless of their social standing or professional background. Investigations into several long-standing cases have been resumed, including the Easter Sunday attacks, attacks against journalists, and instances of abuse of power by public officials. The government has granted full operational independence to the police,

1. In line with the obligations under Article 5 of the United Nations Convention Against Corruption, Sri Lanka's first National Action Plan against Bribery or Corruption was implemented during the period 2019-2023.

resulting in several landmark convictions [Ministry of Foreign Affairs, Foreign Employment and Tourism - Sri Lanka 2025, 8 September]. Notably, for the first time in Sri Lanka's history, a former president was arrested on allegations of misusing public funds while in office, and an Inspector General of Police (IGP) was dismissed on charges of torture, misconduct, and abuse of power.

The government has leveraged its digitalisation policy to address the issue of corruption and transparency. In this regard, the Digital Roadmap for Sri Lanka (2025-2035) outlines a phased approach to building a digitally competitive nation. Phase 1 (2025-2027) focuses on laying the foundation with a National Digital ID system, the launch of LK-UPI, full digitisation of government payments, 100 per cent smartphone and 4G/5G coverage, and the introduction of DigiLocker Sri Lanka [Muralithas 2025, 24 November].

In addition, to improve governance and transform political culture, the government has prioritised reducing unnecessary state expenditure by curtailing the perks and privileges traditionally enjoyed by politicians, including former presidents.

While these initiatives have earned public approval, they have also sparked criticism. Opposition parties argue that the anti-corruption drive has, at times, amounted to a political vendetta, with selective targeting of individuals while other significant cases remain unaddressed. This criticism intensified following the arrest of former President Ranil Wickremesinghe on charges of misusing public funds during an international tour in 2023. The backlash indicates that the government's aggressive anti-corruption drive has unsettled the previously dominant political establishment long associated with systemic political and bureaucratic corruption. According to Prof. Jayadeva Uyangoda [Uyangoda 2026, 7 January], the ongoing transformation of the country's political culture under the NPP government has given rise to an «open confrontation» between the erstwhile «traditional ruling elites and the new ruling party with non-elite social backgrounds».

2.2. *Enhancing democratic space*

Special attention has been given to expand the democratic space in the country, with a strong emphasis on national unity and the protection of minority rights, including those of women, children, and persons with disabilities. The government asserts that upholding the rights of all citizens – irrespective of gender, ethnicity or other grounds – is a top priority. In this regard, it takes pride in maintaining one of the most inclusive parliaments in the country's history. Women's empowerment, in particular, has received special focus. The current Parliament includes 22 female representatives from diverse social backgrounds, including members of the working class and marginalised communities. Notably, it also marks the first time that two women from the Malaiyaha community have been elected to Parliament [Ministry of Foreign Affairs, Foreign Employment and Tourism-Sri

Lanka 2025, 17 February]. Additionally, the cabinet includes specially abled ministers. However, the absence of a Muslim minister in the cabinet raised concerns, although Muslim representation is present at the level of deputy ministers within the NPP government.

According to the Global Democracy Index 2025, Sri Lanka has improved its ranking by 15 positions. Despite this progress, several loopholes remain that need to be addressed to achieve a more inclusive democracy. Public dissatisfaction has grown over the delay in holding provincial council elections, which the government has pledged to conduct in 2026. Furthermore, the government has faced increasing pressure to implement the devolution process as a means of ensuring political rights for the Tamils. Government, however, is non-committal on this issue, citing ongoing considerations of introducing a new constitution. Any such constitutional reform, if undertaken, is unlikely to materialise within the next three years.

2.3. *Minority rights*

To implement Sri Lanka's commitment under the international mechanism, several legislative reforms have been introduced to advance the rights of children and women. Establishment of a National Women's Commission under the Women Empowerment Act No 37 of 2024, Sri Lanka's first National Action Plan for Women, Peace and Security for 2023 to 2027, the launch of the Multi-sectoral National Action Plan (NAP) to address Sexual and Gender-Based Violence (SGBV) for the period 2024 – 2028 and actions taken to address the increasingly challenging issue of online gender-based violence are some of the key policy and legislative reforms introduced by the NPP government in the country [Ministry of Foreign Affairs, Foreign Employment and Tourism-Sri Lanka 2025, 17 February]. The government has announced the drafting of new legislation, including a revised Domestic Violence Bill and a new Disability Rights Bill, to further advance women's rights, children's rights, and the rights of the specially abled person. To further enhance civic space and engagement, the government has announced its intention to bring the national secretariat for non-governmental organisations under the Ministry of Social Empowerment.

For the first time in history, the current government recognised the Malaiyaha community as a distinct community in Sri Lanka. The government is also formulating legislation to facilitate the increase in wages of the plantation sector workers, and it is taking measures to address the housing needs of the community [Ministry of Foreign Affairs, Foreign Employment and Tourism-Sri Lanka 2025, 8 September].

2.4. *Tamil reconciliation*

One of the major promises of the NPP government was to focus on Sri Lankan nationalism instead of Sinhala nationalism. The NPP government,

which secured overwhelming votes from the north and the east, has pledged to take tangible steps in the interest of further advancing national unity and reconciliation.

The government has initiated confidence-building measures towards reconciliation by addressing key concerns of the Tamil community. The NPP government has upheld the right to commemorate the death of loved ones who lost their lives during the armed ethnic conflict, provided such a right is not misused to glorify terrorism [Ministry of Foreign Affairs, Foreign Employment and Tourism - Sri Lanka 2025, 8 September]. The Cabinet appointed a committee to address land issues faced by people, including conflict-affected people, living in areas identified as forest and other reserves and places of archaeological significance. Around 40.70 acres of land were handed over to the owners by the Sri Lankan Army in Jaffna [Ministry of Defence - Sri Lanka 2025, 8 May]. Several roads in the Northern Province, including the Palali-Achchuveli main road, were opened for public use after several decades, in addition to the launch of several development programmes. The President made an open invitation to Tamil-speaking youth to be part of Sri Lanka's police service [Ministry of Foreign Affairs, Foreign Employment and Tourism-Sri Lanka 2025, 25 February]. Local civil society organisations, community leaders, and youth groups are participating more actively in dialogue and advocacy than in previous years.

As part of its reconciliation efforts, the government has pledged to strengthen the domestic institutions – such as the Office on Missing Persons (OMP), Office for Reparations, and Office for National Unity and Reconciliation (ONUR) – to address challenges emanating from the conflict, while committing to ensure that these bodies continue to function independently and credibly within the constitutional framework [Ministry of Foreign Affairs, Foreign Employment and Tourism-Sri Lanka 2025, 25 February]. In this regard, the Cabinet decided to allocate Sri Lankan Rs (LKR) 375 million of additional funds to the OMP for the purpose of expediting inquiries into complaints regarding missing persons. The ONUR is in the process of formulating an Action Plan on National Reconciliation with the support of the United Nations Country Office in Sri Lanka. A process has been set in motion to establish and empower a Truth and Reconciliation Commission (TRC) to investigate acts of violence caused by racism and religious extremism that give rise to tensions within Sri Lankan society [Ministry of Foreign Affairs, Foreign Employment and Tourism-Sri Lanka 2025, 25 February]. However, the government has rejected the United Nations Human Rights Council (UNHRC) Resolutions 46/1, 51/1, 57/1 and 60/L.1/Rev.1 and the external evidence gathering mechanism on Sri Lanka.

An important step taken by the NPP government in 2025 was the initiation of an investigation, conducted under judicial oversight and independent of any government interference, into the mass grave sites, including in Chemmani in northern Sri Lanka. To enhance the independence of the

Sri Lankan judiciary and the delivery of justice, a decision has been taken to establish an independent public prosecutor's office.

The UK-led Sri Lanka Core Group submitted a report to the UNHRC on 3 March 2025, assessing the country's political and human rights progress. The report praised Sri Lanka's peaceful elections and initial reconciliation efforts, including land returns and eased restrictions in the north and east. Another positive development, as far as reconciliation is concerned, is that there is not much opposition from the Sinhala community to the government's reconciliation efforts. The Sri Lanka Barometer Initiative survey suggests that people are increasingly willing to join reconciliation-related activities. The research, however, finds that «the high public demand for reconciliation is not matched by comparatively modest perceptions of progress» [*Sri Lanka Barometer* 2025].

The government has not yet initiated groundwork on the commitments related to the OMP, ONUR and the establishment of the truth and reconciliation process. One of the long-pending demands – the repeal of the Prevention of Terrorism Act (PTA) – is yet to be fulfilled. The government has prepared a draft bill called the Protection of the State from Terrorism, aimed at repealing the controversial PTA. People are, however, completely disappointed with the draft.

Jehan Perera, the Executive Director of the National Peace Council of Sri Lanka, has aptly explained the current status of the reconciliation process in Sri Lanka. In his words:

> Sri Lanka stands today at a rare intersection of political will, social expectation, and international opportunity. The people voted for a system change. The government has both the power and the legitimacy to deliver. The UNHRC has extended a window for domestic action. Civil society is ready, as the Sri Lanka Barometer confirms, to participate in rebuilding trust. What remains is the political decision to move from intent to implementation. [Perera 2025, 28 October]

Various media analyses suggest that the implementation of many of the confidence-building measures and reconciliation efforts is mostly hindered due to the fragmented politics of the Tamil leaders in the north and east.

2.5. *National security*

Sri Lanka experienced a marked rise in organised crime and the proliferation of dangerous drugs throughout the country, while intelligence reports of extremist activities in Kalmunai in the Eastern Province heightened national security concerns [*Tamil Guardian* 2025, 5 March]. In 2025, the country also recorded a significant surge in cybercrime. The Sri Lanka Computer Emergency Readiness Team (Sri Lanka CERT) received more than 12,650 complaints related to cybersecurity incidents and social media misuse during the year [*Newswire* 2026, 1 January].

In response to the escalating drug problem, the NPP government launched the nationwide operation «A Nation United» [President's Media Division, Sri Lanka 2025, 30 October].[2] It allocated LKR 1.5 billion for drug control programmes and a further LKR 2 billion to address urgent requirements for more efficient prison management [*The Sunday Times* 2025a, 9 November]. Security agencies intensified surveillance in the Eastern Province to monitor the activities of a suspected religious extremist group. To combat cyber threats, the government introduced the «National Cyber Protection Strategy of Sri Lanka – 2025-2029» in July 2025, which emphasises: upgrading the legal/regulatory framework; enhancing public awareness and knowledge; improving readiness; strengthening incident response; and fostering national and international cooperation [UNODC 2025, 26 October].

Despite these measures, sections of the public have expressed concern that the issue of extremism has not received adequate attention. Similarly, while the government continues its anti-drug campaign, the controversial release of 320 containers from the Colombo Port in January 2025, without comprehensive customs inspection, despite a tip-off from the United States Drug Enforcement Administration (DEA) indicating that two containers in the consignment contained narcotics, has raised questions about the seriousness of its efforts. Further compounding these concerns are contradictory official statements regarding the discovery of alleged «ICE factories» in Nuwara Eliya and claims of selective arrests of individuals involved in the narcotics trade [*The Sunday Times* 2025b, 9 November].

2.6. *Political challenges*

The results of the local council elections held in May 2025, indicate that the NPP does not enjoy overwhelming popular support as it did during the presidential and parliamentary elections in September and November 2024, respectively. Although the NPP secured 266 out of 339 local government (LG) bodies, it failed to obtain an outright majority in 186 councils. Of these, it lacked a clear majority in 149 bodies and was on par with the combined opposition in 29. Consequently, the ruling coalition was able to form administrations in only 116 LG bodies. Collectively, opposition parties won more seats than the NPP. However, their failure to unite against the ruling NPP enabled the government to retain dominance in many local councils. Although efforts were made after the elections to establish a united opposition front, these initiatives failed to gain traction [*The Sunday Times* 2025a, 9 November].

On several occasions, the opposition attempted to move no-confidence motions in Parliament, but these efforts were unsuccessful. At pres-

2. This programme is expected to raise social awareness of the threat through a broad campaign, dismantle the networks linked to drug trafficking, strengthen rehabilitation opportunities and offer opportunities for individuals seeking to overcome drug dependence.

ent, the government does not face any significant political challenge. Nevertheless, public support for the NPP appears to be gradually declining. A key source of public dissatisfaction is the delay in tangible economic relief, with many citizens still waiting for meaningful improvements more than a year after the new government assumed office.

3. *Economic developments*

The resilience of the Sri Lankan economy improved in 2025, due to positive developments in the domestic macroeconomic conditions. The economy grew by 5.0 per cent during the first nine months of 2025 (4.8 per cent, 4.9 per cent and 5.4 per cent in the first, second and third quarters of 2025, respectively) [Central Bank of Sri Lanka 2026, 28 January; Central Bank of Sri Lanka 2025, December; Department of Census and Statistics 2025a]. All three major economic activities – agriculture, industry and service – positively contributed to this growth [Department of Census and Statistics 2025b]. The total government revenue, including tax and non-tax revenue and grants, increased by 24.7 per cent to LKR 2,325.1 billion in the first half of 2025 from LKR 1,864.6 billion in the same period of 2024, realising 46.6 per cent of the annual estimate of LKR 4,990.0 billion. Tax revenue increased by 25.9 per cent to LKR 2,152.1 billion (approximately US$ 6.95 billion) in the first half of 2025, compared to LKR 1,709.3 billion in the same period of 2024, achieving 46.9 per cent of the annual estimate of LKR 4,590.0 billion. This improvement was primarily driven by the full impact of continued implementation of policy-driven, revenue-based fiscal consolidation measures, enhanced revenue administration, the revival of economic activities, and the lifting of import restrictions, including the removal of the ban on vehicle imports.

Major revenue-earning sectors such as tourism and remittances improved significantly. Tourist arrivals in 2025 surpassed the level recorded in 2018, while recording a year-on-year growth of 15.1 per cent compared to 2024. However, tourist earnings remained below the 2018 level, due to the downward revision of estimates of average expenditure per day and the average duration of stay by Sri Lanka Tourism Development Authority, while recording a marginal growth of 1.6 per cent compared to 2024 [Central Bank of Sri Lanka 2026, 30 January]. The tourism earnings in 2025 were US$ 3.2 billion. Workers' remittances during 2025 increased by 22.8 per cent on a year-on-year basis, surpassing US$ 8.0 billion to reach a historic high [Central Bank of Sri Lanka 2026, 30 January].

Total exports, including goods exports and trades in services in 2025, were US$ 20.6 billion, whereas goods imports were US$ 21.5 billion. The merchandise trade deficit widened to around US$ 7.9 billion in 2025, despite export earnings reaching a historically high level [Central Bank of Sri Lanka 2026, 30 January].

Gross official reserves (GOR), including the swap facility with the People's Bank of China (PBOC), improved to around US$ 6.8 billion by the end of 2025, even amidst continuous external debt service payments, due to the receipts from multilateral institutions and net forex purchases by the Central Bank of Sri Lanka [Central Bank of Sri Lanka 2026, 30 January].

3.1. *Debt profile*

The first condition of the IMF to provide the Extended Fund Facility (EFF) was to restructure the debt to make it sustainable. The debt restructuring was finalised in June 2024 with the Official Creditors Committee (OCC), China EXIM Bank and the International sovereign bond holder by the Ranil Wickremesinghe administration. As per the debt treatment, Sri Lanka received capital grace periods until 2028, reduced interest, and progressive amortisation with final repayments in 2043. Debt restructuring required further efforts through signing mandatory bilateral agreements with key partners. The NPP government in 2025 almost completed the process by signing bilateral debt restructuring agreements with OCC member countries as well as with countries outside OCC. As of the end of June 2025, Sri Lanka concluded the signing of 36 amended agreements covering 194 loans and bonds, with respective development partners and bondholders, and has also shared debt treatment proposals with other bilateral development partners [Ministry of Finance, Planning and Economic Development-Sri Lanka 2025, 31 October].

The external debt of the government as of the end of June 2025 amounted to US$ 37.1 billion (including multilateral 36 per cent, commercial 34 per cent and bilateral debt at 30 per cent of total government external debt). Total debt service payments during the first half of 2025 amounted to US$ 1.3 billion. As of the end of June 2025, there were no external payment arrears [Ministry of Finance, Planning and Economic Development-Sri Lanka 2025, 31 October].

During the period from 1 January to 30 June 2025, total foreign loan disbursements amounted to US$ 547.5 million. The largest share of disbursements was recorded under the IMF's EFF, accounting for 61 per cent of the total. This was followed by disbursements under loan agreements with the World Bank (16 per cent) and the Asian Development Bank (11 per cent). During the first half of 2025, no new commitments were entered into with bilateral, multilateral, or external commercial creditors [Ministry of Finance, Planning and Economic Development-Sri Lanka 2025, 31 October].

The Debt Management Strategy for the period 2025-2029 focuses on a more domestic-oriented financing strategy, maintaining a 80:20 domestic-to-external financing ratio while increasing the issuance of medium-term to long-term treasury bonds to address refinancing and borrowing costs and gradually reducing the reliance on treasury bills. The upward movement in revenue collection has reduced the fiscal pressure and empowered the

treasury to allocate a significant portion of the accumulated cash reserves towards debt servicing obligations, thereby reducing reliance on external borrowings and fostering a more sustainable fiscal environment in the first half of 2025, even though Sri Lanka continued to depend on external financial support to sustain external debt service commitments [Ministry of Finance, Planning and Economic Development-Sri Lanka 2025, 31 October]. However, following Cyclone Ditwah, which struck the country on 28 November 2025, the government has faced a new fiscal pressure, leading to a greater reliance on external financing.

The positive macroeconomic conditions helped the government to provide immediate relief assistance to the victims of Cyclone Ditwah. However, the reconstruction needs have generated significant fiscal pressures and balance-of-payments needs. According to the World Bank, the loss due to the cyclone was about US$ 4 billion [Central Bank of Sri Lanka 2026, 28 January]. The government passed a LKR 500 billion supplementary estimate to restore the livelihoods of those affected by the disaster. To address urgent balance-of-payments and fiscal pressures arising from the catastrophic cyclone, the government received US$ 206 million emergency financing under the IMF's Rapid Financing Instrument (RFI) [Central Bank of Sri Lanka 2025, 19 December]. Sri Lanka has also achieved financial assistance from bilateral partners, some of which is in the form of loans. For example, India's US$ 450 million Ditwah reconstruction package includes US$ 350 million in concessional lines of credit and US$ 100 million in grants, targeting restoration of roads, railways and bridges, housing reconstruction, health and education facilities, agriculture support and disaster preparedness [*Akashvani News* 2026, 8 January].

3.2. *NPP's economic reform policy*

The NPP government is continuing the economic reform programme initiated under the Ranil Wickremesinghe administration in line with the IMF requirements. It has adopted a revenue-based fiscal consolidation approach, as prescribed by the IMF, and implemented several policy measures to fulfil these commitments. Consequently, Sri Lanka has received a total of US$ 1.7 billion so far out of the US$ 2.9 billion bailout package.

The NPP government, to boost tax compliance and refrain from tax exemptions to maintain support for economic reforms as mandated by the IMF, brought changes in the tax regime since 2025. Effective from April 2025, the exemption on foreign service and foreign source income and the value added tax (VAT) exemption on imported aircraft engines or spare parts was removed. Tax on gains and profits from betting and gaming has been increased from 40 per cent to 45 per cent. The advance income tax (AIT) rate on interest and discounts was increased from 5 per cent to 10 per cent to enhance tax collection on interest income. The tax-free allowance has been increased from LKR 1.2 million to LKR 1.8 million and the pro-

gressive income tax rates applicable to individuals were revised to reflect the revised personal relief. The main changes in the VAT included the abolition of the simplified VAT scheme and replacement by a risk-based refund scheme, and mandatory electronic filing. VAT exemptions were introduced for chemical naphtha supplied to the Ceylon Electricity Board (CEB) and for locally produced dairy products [Inland Revenue Department, Sri Lanka 2025, 17 April]. However, the government has decided to postpone the implementation of 18 per cent VAT on non-resident digital services and the property tax to 2026 and 2027, respectively [*Newswire* 2025, 5 December].

The loss-making state-owned enterprises (SOEs) are the major contributors to Sri Lanka's fiscal problems. To address the issues faced by the SOEs, the previous government was making plans to privatise them. The NPP government, however, halted the process of privatising the SOEs such as Ceylon Petroleum Corporation (CPC) and CEB. Instead, it is making efforts to restructure them by improving management practices, reducing operational costs, and enhancing efficiency within the existing state ownership structure by initiating cost-reflective pricing in the energy sector. Sri Lanka has a commitment to cost-reflective pricing of electricity not only under the IMF programme, but also under the Sri Lanka Electricity Act, No. 20 of 2009. The CEB is already following a cost-reflective pricing; however, it varies from the methodology used by the IMF to formulate the cost-reflective pricing. Therefore, CEB was not ready to follow the IMF methodology, which the government has already committed to, and thus is having a conflict of interest with the government and is urging the government to renegotiate it with the IMF.

As part of the social safety net, the government has expanded the Aswesuma programme by increasing monthly state sector salaries, wages, social welfare and healthcare allowances.[3] The government is investing in digital transformation to modernise welfare distribution and ensure transparency, with plans to launch a digital identity system to track beneficiaries and eliminate corruption. The government allocated LKR 230 billion for welfare programmes, a significant increase from previous years [President's Media Division, Sri Lanka 2025, 4 July]. To address the issue of rural poverty and to empower communities and ensure the fair distribution of economic benefits across society, the government launched the «Prajashakthi» National Programme in July 2025 [President's Media Division, Sri Lanka 2025, 4 July].

3. State sector salaries and wages have increased by Rs. 15,750 (including pensions). The minimum basic salary has been increased from Rs. 24,250 to Rs. 40,000 by including existing allowances into the basic salary. Giving attention to social welfare and healthcare, the monthly allowance for kidney patients and people with disabilities is increased from Rs. 7,500 to Rs. 10,000 and for elderly persons the increase is from Rs. 3,000 to Rs. 5,000. The compensation paid for death or permanent disability due to natural disasters has been increased from Rs. 250,000 to Rs. 1 million.

The IMF believes, «Sri Lanka's ambitious reform agenda is delivering commendable outcomes» [International Monetary Fund 2025, 6 February]. The fourth review of Sri Lanka's four-year EFF program was completed on 1 July 2025. The IMF staff and the Sri Lankan authorities reached a staff-level agreement on the fifth review under the EFF in October 2025, with the expected disbursement of US$ 347 million by December 2025. However, the fifth review was postponed due to the Cyclone Ditwah disaster. The IMF has offered RFI to Sri Lanka to deal with the disaster crisis.

A section in Sri Lanka is breathing a sigh of relief that the NPP government did not derail the economic growth momentum by rejecting the IMF programme initiated under the previous government. The reform policy could bring macro-economic stability to Sri Lanka, but it did not provide economic relief to the poor. The opposition political parties, particularly the Samagi Jana Balawegaya (SJB), are critical of the view that the NPP government, instead of renegotiating some of the harmful provisions of the EFF, including the austerity measures (as promised during the elections), took over the IMF programme negotiated by the previous administration as it was [Hariharan 2025, 9 March]. It is argued that though the government has made some changes in the tax regime and expanded the social welfare programme as mentioned above, it could not provide relief to the marginalised sections effectively, with the IMF capping of primary expenditure at 13 per cent of GDP and maintaining a primary balance at 2.3 per cent of GDP to address social costs [*The Morning* 2025, 25 February].

3.3. *No relief for the weaker section*

Consequently, despite the macroeconomic development in 2025, household incomes, employment, and overall welfare were well below pre-2022 economic crisis levels. A large number of genuinely needy and deserving people are not able to benefit from the government's safety net programmes, such as Aswesuma, due to its ineffective distribution. Research suggests that while Aswesuma transfers may help protect households against low-calorie intake, beneficiary households continue to have low-quality diets, particularly, under-consuming fruits, vegetables, dairy, and legumes [Hülsen et al. 2025]. Even though the government estimates that digitalisation can ensure the effective distribution of the Aswesuma programme, experts believe that the programme should enhance its ability to target individuals in both chronic and transient poverty, rather than focusing only on chronic poverty [Amarasinghe 2025, May].

The government's price control policy, introduced with the objective of providing economic relief, appears to have generated unintended adverse consequences for consumers. In December 2024, price controls were imposed on rice, a staple commodity. However, the implementation of this price ceiling – combined with an import tariff of LKR 65 per kilogram – contributed to supply distortions in the domestic market. These measures,

alongside weather-induced production shortfalls, resulted in significant rice shortages and exacerbated food insecurity and malnutrition in Sri Lanka. The price cap constrained market adjustments to reduced supply, while the import tariff increased the cost of imported rice by an estimated 50 per cent, further limiting affordability. The interaction of these policies fostered the emergence of black-market activities, as formal market channels struggled to meet demand at the regulated price [Seneviratne 2025, 6 February]. Similarly, a salt shortage – attributed to low domestic production and administrative inefficiencies – disproportionately affected low-income households. Collectively, these developments underscore the distributional impact of price controls and trade restrictions, particularly when implemented in the context of supply-side constraints.

To reduce the cost of medicines and to offer long-awaited financial relief to the public, Sri Lanka's parliament approved a new pricing reform for pharmaceutical products, paving the way for the introduction of maximum retail prices (MRPs) and maximum ceiling prices (MCPs) for all medicine categories, excluding those manufactured domestically, in October 2025. The sustainability of the pharmaceutical supply under the new pricing formula has been suspected, leading to serious concern about its impact on the poor in the event of severe medicine shortages [Hasanzadeh 2025, 5 November].

Cyclone Ditwah further worsened the conditions of the poor in Sri Lanka. Around 1,118,929 people and 309,607 families were affected due to the cyclone in November 2025. About 55,747 families were displaced [Disaster Management Center, Sri Lanka 2025, 30 November]. An estimated 462,000 children are among those affected by the cyclone. 6097 houses were fully damaged, and 112,790 houses were partially damaged [Disaster Management Center, Sri Lanka 2025, 31 December]. Half of those cyclone-affected people have limited capacity to cope with disasters due to unstable incomes and high debt stemming from the 2022 economic crisis [Sultana 2026, 8 January].

3.4. *Economic challenges*

According to David Sislen, World Bank Division Director for Maldives, Nepal, and Sri Lanka, «to ensure that all Sri Lankans benefit from the recovery, Sri Lanka needs to shift to a higher growth trajectory through the successful implementation of reforms that enhance trade, investment, competition and female labour force participation, among others» [World Bank Group 2025, 23 April]. While the government continues to implement the IMF-mandated reform programmes, several developments in 2025 have created a discouraging outlook for trade growth, the labour market and the country's investment profile.

The Trump administration's tariff policy posed significant risks to Sri Lanka's macroeconomic and social stability. In April 2025, the US imposed

a 44 per cent reciprocal tariff, half of the 88 per cent duty Sri Lanka imposes on US imports. Later, it was reduced to 20 per cent with effect from 7 August 2025. The tariff would impact 86 per cent of the products in the country's export basket, removing the competitiveness of those products in the US market. It is estimated that around 300,000 people directly and around 600,000 people indirectly would be affected due to the tariff imposed on Sri Lanka [*Economynext* 2025, 3 April]. Sri Lanka must therefore diversify its export basket. While the government is looking for trade and investment options in the Global South, no breakthrough was achieved in this regard in 2025.

Sri Lanka's investment profile is still vulnerable. Sri Lanka surpassed the US$ 1 billion foreign direct investment (FDI) mark in 2025, describing it as an early indication of recovering investor interest and changes underway within the institution. However, this level of inflows remains well below the capital required to support sustained economic expansion [*Daily FT* 2026, 28 January]. According to a study by the Lanka Impact Investing Network, Sri Lanka's annual investment demand is estimated at US$ 7-10 billion to meet sustainable development goals, US$ 3-5 billion for infrastructure development, and a further US$ 2-3 billion annually for climate finance. The study also estimates an additional US$ 695 million funding gap faced by women-led enterprises.

The government is trying hard to attract investors by addressing the governance issues and making the country investor-friendly. However, the government's dealings with some of the existing investors are feared to be sending a negative message to the foreign investors. As part of its policy of transparency in procurement, the government has stopped all government-to-government project proposals. Under the new policy framework, all projects will be pursued through transparent tender procedures [Mohan 2025, 2 August]. As part of this new policy, the NPP government has reviewed foreign-funded projects in the energy sector signed by the previous government, including the LNG Infrastructure Development and LNG Supply for Power Plant in Kerawalapitiya by Petronet LNG Ltd., and wind farm projects in Mannar and Pooneryn by Adani Group of Energy Limited (AGEL).

The AGEL, which was facing environmental clearance and a case in Sri Lanka's Supreme Court, decided to withdraw from the project when the NPP government appointed a negotiation committee to renegotiate the proposal. As far as the LNG infrastructure development project is concerned, the NPP government awarded the project to the China Harbour Engineering Company (CHEC) without officially cancelling the project with Petronet [Mohan 2025, 2 August]. US$ 3.5 billion in FDI by Sinopec, a Chinese company, to develop an oil refinery in Hambantota, which began through a tendering process, is also facing delays and risks of being stalled due to prolonged renegotiations on equity, land allocation and market access [Mohan 2025, 2 August]. There is a concern among the experts in Sri

Lanka that these kinds of inconsistent, unpredictable, and confusing policies will discourage the investors, even if political and economic stability is achieved. Australian-based United Petroleum, which entered the Sri Lankan market in August 2023 and invested US$ 27.5 million to take over 150 existing fuel stations and gained the rights to build 50 new ones, decided to withdraw, citing a lack of profitability in the small market [Mudugamuwa 2025, 6 April].

4. *Foreign policy developments*

In 2025, Sri Lanka's primary foreign policy focus was securing economic and diplomatic support from bilateral and multilateral partners to address the country's economic challenges, while safeguarding its strategic autonomy. A key priority for the NPP government was completing the debt restructuring process initiated by the previous administration to sustain economic recovery. To restructure the external debt, Sri Lanka's official sector creditors organised into the Official Creditor Committee, a group of 17 countries co-chaired by Japan, India, and France.[4] The Exim Bank of China remained outside of the OCC, and therefore, Sri Lanka had to negotiate debt treatment terms with both groups in parallel, whilst ensuring comparability of treatment between the two groups [Ministry of Finance, Planning and Economic Development-Sri Lanka 2025, 1 January]. Creditors are under no obligation to offer Sri Lanka debt relief; their willingness depends on the good faith demonstrated by both sides, and the presentation of a credible macroeconomic reform plan that realistically restores economic sustainability. Hence, the NPP administration sought to maintain cordial relations, tried to avoid confrontation with any country as much as possible, and proactively addressed creditor concerns. The Janatha Vimukthi Peramuna (JVP)-led ruling coalition shed its anti-India approach, and moderated its stand on Sri Lanka's bilateral engagements with the USA, while maintaining its strong relations with China. Continuing the Ranil Wickremesinghe administration's foreign policy, the NPP administration positively engaged with other Asian countries, Australia, the EU and the multilateral institutions.

Special attention was given to pursuing a balanced policy towards its major competing partners, including India, Pakistan, China, and the USA, to mitigate strategic pulls and pressures. President Anura Dissanayake, however, claims that Sri Lanka is not balancing. In his words, «we don't look at our relations with these important countries as balancing. Each of our relationships is important to us. We work with everyone, but always with a

4. The 17 members include Australia, Austria, Belgium, Canada, Denmark, France, Germany, Hungary, India, Japan, Korea, Netherlands, Russia, Spain, Sweden, United Kingdom, United States.

single purpose – a better world for Sri Lankans, in a better world for all» (*The Sunday Times* 2025, 14 December).

4.1. *Relations with India and China*

The commitment of «Fostering Partnerships for a Shared Future» adopted during President Anura's maiden visit to India in December 2024 was sustained in 2025 by increased political, economic, developmental and security cooperation between India and Sri Lanka. Several India-funded projects were inaugurated, and new MoUs were signed to enhance defence, health, agriculture cooperation, and energy and digital connectivity. India once again emerged as the first responder to the crisis by providing humanitarian and disaster assistance in the aftermath of Cyclone Ditwah. Through a combination of investment-based and grant-oriented projects, and multifaceted engagement since 2022, India has positioned itself as a key partner in helping Sri Lanka ease its debt burden while fostering sustainable and long-term economic growth [Ministry of External Affairs, Government of India 2024, 16 December]. Hence, the JVP has notably recalibrated its approach towards India.

India accounted for over 20 per cent of Sri Lanka's tourist arrivals in 2025 [*Akashvani News* 2026, 8 January]. Sri Lanka's merchandise exports to India reached US$ 334 million during the first four months of 2025, which a nearly 40 per cent surge from the previous year. Overall exports from Sri Lanka rose 12 per cent year-on-year to US$ 983 million in April 2025. According to data released by Sri Lanka's Export Development Board, India has been the second-largest destination for the Island's exports after the United States, overtaking the United Kingdom [*Akashvani News* 2025, 28 May]. India also accounted for as much as 40-50 per cent of foreign direct investment when routed investments are accounted for [*Akashvani News* 2026, 8 January]. However, as mentioned above, Indian investors in Petronet LNG and AGEL faced issues. While AGEL withdrew on its own, the NPP Government has handed over the LNG project in Kerawalpitiya to a Chinese company without formally cancelling the project with Petronet LNG. The casual handling of issues with investors from the largest development partner conveys a confused foreign policy approach.

Traditional friendship between China and Sri Lanka deepened in 2025 by reinforcing economic ties through debt restructure, renewal of the currency swap agreement and committing the largest FDI project worth US$ 3.7 billion in Hambantota, as well as strengthening engagement at the party level between the JVP and the Communist Party of China. Nonetheless, the Chinese oil refinery project faced delays due to a lack of consensus on the issues of equity and market access.

The government justified its handling of investment-related engagements with Indian and Chinese investors by emphasising its commitment to promoting transparency and reducing corruption in the energy sector, while

rejecting any notion of preferential treatment toward a particular investor. Amid the «progressive thaw» in India-China relations, Sri Lanka was able to navigate its strategic partnerships with both powers with relative ease, avoiding significant external pressures while maintaining balanced ties.

4.2. *Navigating the India-Pakistan confrontation*

India-Sri Lanka conflict following the Pahalgam attack in April 2025 and India's Operation Sindoor in May 2025 created diplomatically challenging situations for Sri Lanka. However, Sri Lanka continued to maintain its non-aligned position. Following the Pahalgam attack, President Anura Kumara Dissanayake conveyed a condolence message to PM Modi and strongly condemned the terrorist attack, which claimed 26 lives [President's Media Division, Sri Lanka 2025, 25 April]. Demonstrating Sri Lanka's firm stance against terrorism in all its forms and cooperating with India, the Sri Lanka Air Force (SLAF) conducted a «comprehensive security search» of an aircraft that arrived from Chennai at Bandaranaike International Airport on 3 May 2025 after a tip-off on a suspect connected with the Pahalgam attack being on board the flight. Even though the Government of India accused Pakistan of instigating cross-border terrorism, Sri Lanka refrained from taking any view on it and participated in the scheduled Defence Dialogue 2025 on 27 April 2025 between Sri Lanka and Pakistan in Karachi. No official communication was issued by the Sri Lankan government on the military operations carried out by India and Pakistan during 7-10 May 2025. It was only after India and Pakistan decided to stop all firing and military action on land and in the air and sea on 10 May 2025 that the Sri Lankan President's office issued a «Message of Appreciation» for the leaders of India and Pakistan. During Operation Sindoor, Sri Lanka maintained its neutrality by maintaining its commitment not to allow its territory to be used by any party in the conflict. It is noteworthy to mention here that this policy of non-alignment was not followed by Sri Lanka during the India-Pakistan War in 1971.

4.3. *Relations with the US*

The JVP historically opposed Western and American influence in Sri Lanka. However, ahead of the 2024 Presidential elections, the party initiated engagement with the United States, and following its electoral victory, the government pursued a constructive dialogue, particularly on economic recovery and debt restructuring. Nonetheless, the suspension of USAID programmes and the implementation of US reciprocal tariffs negatively affected key initiatives in food security, economic reform, governance, anti-corruption, border security, and migration management [Alphonsus 2025, 30 March].

In 2024-2025, Sri Lanka was slated to receive US$ 53 million under USAID, representing 0.07 per cent of gross national income. A survey by the Civil Society Organisations Collective indicated that over 565,000

direct beneficiaries and 400 project staff would be impacted by the suspension [Alphonsus 2025, 30 March]. Reciprocal tariffs further strained Sri Lanka's export sector and job opportunities, although negotiations successfully reduced the tariff from 44 per cent in April to 20 per cent by August 2025.

While seeking a favourable tariff agreement, Sri Lanka adopted a cautious approach to the US military action in Iran, reflecting a shift from the JVP's traditional anti-US stance. Despite reduced collaboration on economic and social programmes, bilateral defence cooperation expanded. Under the Megaports Initiative, the US supplied radiation detection equipment at the Port of Colombo in March 2025. Additionally, a memorandum of understanding formalised defence partnerships between the Montana National Guard, US Coast Guard District 13, and the Sri Lanka Armed Forces through the State Partnership Programme (SPP), institutionalising cooperation in humanitarian assistance, disaster response, maritime security, anti-trafficking, and cyber defence [*The Sunday Times* 2025, 14 December]. Sri Lanka now participates in a global SPP network linking over 115 countries.

4.4. *Expanding partnership*

To continue the halted projects under the USAID programme and also to attract foreign investment, the Sri Lankan government is looking for alternative donors and development partners in the Global South and partnerships with multilateral institutes. The Sri Lankan government, in this regard, engaged with several Asian countries. Japan, which was once the largest development partner of Sri Lanka, has gradually re-intensified its engagement with Sri Lanka. In addition to enhancing their economic partnership, Sri Lanka and Japan have strengthened security and defence cooperation, with Sri Lanka becoming a partner in Japan's official security assistance (OSA) programme in September 2025. Under the OSA programme, Japan offered unmanned aerial vehicles (UAVs) to Sri Lanka for enhancing maritime surveillance and disaster relief capabilities.

Sri Lanka aims to strengthen its partnership with the Association of Southeast Asian Nations (ASEAN) by seeking the status of a Sectoral Dialogue Partner (SDP). The proposal was approved by the Cabinet of Ministers, following a 2019 letter of intent. This status, which allows non-Southeast Asian countries to engage with ASEAN, can enhance Sri Lanka's economic progress and diplomatic relations with ASEAN nations.

As one of the promises of the NPP was to modernise the armed forces with new technology and enhance the country's maritime security, the government in 2025 enhanced its defence engagement with Australia and the UK. Sri Lanka has received a state-of-the-art Shallow Water Multi-Beam Echo Sounder for the Sri Lanka Navy Hydrographic Service (SLNHS) from Australia to develop Sri Lanka's hydrographic capabilities [Sri Lanka Navy 2025, 18 February]. A hydrographic cooperation agreement

was also signed between Sri Lanka and the UK [Ministry of Defence-Sri Lanka 2025, 14 February].

4.5. *Foreign policy limitations*

Given the historical ideological baggage associated with the JVP, the NPP's measured diplomacy has mitigated international apprehensions and preserved external goodwill. The government has navigated competing geopolitical pressures with caution, maintaining engagement across major powers. Despite positive engagements with its development partners, it avoided effective engagements with concerned countries on many of the crucial issues of national interest, such as the issue of its claim on the continental shelf and membership in BRICS. No action has been taken so far on the issue of allowing foreign marine scientific research vessels and thereby affecting marine scientific research in the country. An overly cautious, non-committal posture risks deferring substantive engagement on issues central to national interests, thereby limiting Sri Lanka's ability to shape outcomes in its favour.

5. *Conclusion*

Governance in Sri Lanka in 2025 under the NPP administration reflects a mixed but noteworthy trajectory. The government entered office with a strong electoral mandate to transform Sri Lanka's political culture and restore public trust in governance. In several respects, it has demonstrated intent to institutionalise financial discipline and recalibrate political norms. On issues such as national integration, the administration has moved beyond rhetoric toward concrete engagement, signalling an attempt to reframe state-society relations. However, while symbolic and procedural shifts are evident, the deeper structural reforms necessary for long-term systemic transformation remain largely uninitiated.

The NPP benefits from an absolute parliamentary majority and a fragmented opposition, conditions that theoretically reduce political constraints on reform implementation. Yet, the limited progress on structural transformation suggests that the principal impediments are not political. Institutional inexperience, limited technocratic depth, and an absence of long-term policy coherence appear to have constrained reform momentum. Moreover, policy inconsistency – particularly in balancing transformative rhetoric with pragmatic governance – has created tensions between electoral expectations and policy delivery. The government now faces the challenge of reconciling ambitious campaign promises with the realities of institutional reform.

Systemic transformation in Sri Lanka cannot be achieved through executive will alone. It requires coordinated action across state institutions

and sustained societal support. Despite its anti-corruption emphasis, the administration has encountered institutional friction. This underscores the structural limits of reform efforts in the absence of alignment among key governance institutions.

In the economic domain, policy continuity rather than rupture has defined the year 2025. The NPP government has maintained its commitment to the recovery programme initiated under former President Ranil Wickremesinghe, signalling policy predictability to both domestic and international stakeholders. However, economic stabilisation alone does not guarantee resilience. In 2025, there were no significant structural initiatives aimed at strengthening shock absorption capacity, broadening the productive base, or advancing export diversification. Inconsistent signals on investment policy and limited progress in transforming the export structure raise concerns about the sustainability of growth and the country's capacity to transition from stabilisation to structural transformation.

On the foreign policy front, the NPP government has performed relatively well in 2025. Through a pragmatic and calibrated approach, it earned external goodwill and managed to navigate strategic pressures from competing regional and global powers. However, in attempting to maintain friendly relations with all and avoid offending anyone, the government is avoiding necessary but difficult discussions with key partners. The concern, therefore, is that over time, such restraint could constrain Sri Lanka's capacity to proactively shape outcomes in alignment with its strategic objectives.

Overall, the government's approach has been cautious and incremental rather than disruptive. While economic and foreign policy continuity with the previous administration is evident, the political domain reflects a perceptible shift in governance style and discourse. Whether these incremental adjustments will culminate in structural transformation or remain confined to procedural reform will depend on the government's ability to institutionalise change over the coming years.

Meanwhile, public perception in 2025 reflects both emerging frustration and guarded optimism. The local council election results suggest that while voters were hesitant to grant the NPP an unqualified endorsement, they have not consolidated around an alternative political force. Delays in implementing key reforms and concerns regarding appointments to important positions based on party loyalty are eroding the moral high ground upon which the NPP's electoral success was built. Nonetheless, given that this was only one and a half years of governance, segments of the electorate remain willing to extend a conditional mandate, contingent upon visible progress in the near term. The year 2026 will therefore be crucial for the NPP's political future, as citizens expect tangible progress on election promises.

Bibliography

Akashvani News, 2025, 28 May, 'Sri Lanka's exports to India surge nearly 40% in early 2025'.

Akashvani News, 2026, 8 January, 'India begins implementation of 450 million dollar assistance package for Sri Lanka after Cyclone Ditwah'.

Alphonsus, Miriam, 2025, 30 March, 'All USAID funding to Lanka stops', *The Sunday Times*.

Amarasinghe, Pulasthi, 2025, May, 'Estimating Aswesuma Effectiveness', *Institute of Policy Studies, Sri Lanka Website*.

Central Bank of Sri Lanka. 2025, December, *Monthly Economic Indicators-December 2025*.

Central Bank of Sri Lanka. Press Release, 2025, 19 December, '*IMF Executive Board Approves US$ 206 Million in Emergency Financial Support for Sri Lanka'*.

Central Bank of Sri Lanka. Monetary Policy Review: No. 01, 2026, 28 January, '*The Central Bank of Sri Lanka keeps the Overnight Policy Rate (OPR) unchanged*'.

Central Bank of Sri Lanka. Press Release, 2026, 30 January, '*External Sector Performance – December 2025*'.

Daily FT, 2026, 28 January, 'Without concessions, Sri Lanka needs hard reforms to attract FDI: BOI Chairman'.

Department of Census and Statistics, Sri Lanka, 2025a, '*National Accounts Estimates - Quarter 2, 2025*'.

Department of Census and Statistics, Sri Lanka, 2025b, '*National Accounts Estimates - Quarter 3, 2025*'.

Disaster Management Center, Sri Lanka, 2025, 30 November, '*Situation Report as at 06.00 p.m on 30 November 2025*'.

Disaster Management Center, Sri Lanka, 2025, 31 December, '*Situation Report as at 1000 hrs on 31 December 2025*'.

Economynext, 2025, 3 April, 'Sri Lankans react to Trump's 44-pct reciprocal tariff'.

Hariharan, R., 2025, 9 March, 'AKD's pragmatism adopts «economic democracy»', *The Morning*.

Hasanzadeh, Leyla, 2025, 5 November, 'Sri Lanka's drug pricing reform: balancing affordability with sustainability', *Pharmaceutical Technology Website*.

Hülsen, V., Klas,N., Headey, D., Munasinghe, D., Ranucci, I, Sabai,M., van Asselt, J. and Weerasinghe, K., 2025, November, '*Accessing Aswesuma: Key Findings on Sri Lanka's New Social Protection Program from the BRIGHT 2024-25 National Survey*', Bright Sri Lanka Project Note No.6, International Food Policy Research Institute.

Inland Revenue Department, Sri Lanka. Notice to the Taxpayers, 2025, 17 April, '*Amendments to the Value Added Tax Act, No. 14 of 2002*'.

International Monetary Fund. Transcript, 2025, 6 February, '*IMF Press Briefing Transcript - Julie Kozack, Director of the Communications Department, IMF*'.

Ministry of Defence - Sri Lanka, 2025, 14 February, '*Sri Lanka and the United Kingdom Strengthen Hydrographic Collaboration with Landmark Bilateral Agreement*'.

Ministry of Defence - Sri Lanka, 2025, 8 May, '*Sri Lanka Army Hands Over 40.70 Acres of Land to Civilian Owners in Jaffna*'.

Ministry of External Affairs, Government of India, 2024, 16 December, '*Transcript of Special Briefing by Foreign Secretary on the State visit of President of Sri Lanka to India (December 16, 2024)*'.

Ministry of Finance, Planning and Economic Development - Sri Lanka, 2025, 1 January, '*Sri Lanka's Public Debt Restructuring Supplementary Note for the presentation made by Secretary to the Treasury Mr. K. M.Mahinda Siriwardana at the Staff Meeting held with the Senior Officials of the General Treasury, Ministry of Finance, Planning and Economic Development*'.

Ministry of Finance, Planning and Economic Development - Sri Lanka, 2025, 31 October, '*Mid -Year Fiscal Position Report – 2025*'.

Ministry of Foreign Affairs, Foreign Employment and Tourism - Sri Lanka, 2025, '*Message from the Prime Minister on Sri Lanka's 77th Independence Day*'.

Ministry of Foreign Affairs, Foreign Employment and Tourism - Sri Lanka, 2025, 17 February, '*Sri Lanka presents progress made in advancing rights of women and girls to the CEDAW Committee*'.

Ministry of Foreign Affairs, Foreign Employment and Tourism - Sri Lanka, 2025, 25 February, '*Statement delivered by Hon. Vijitha Herath during the High-Level Segment of the 58th session of the Human Rights Council*'.

Ministry of Foreign Affairs, Foreign Employment and Tourism - Sri Lanka, 2025, 8 September, '*Statement delivered by Hon. Vijitha Herath, Minister of Foreign Affairs, Foreign Employment and Tourism at the 60th Session of the Human Rights Council in Geneva*'.

Ministry of Foreign Affairs, Foreign Employment and Tourism - Sri Lanka, 2025, 6 October, '*Statement by Sri Lanka as the country concerned, during the consideration of draft resolution HRC. 60/L.1/Rev.1 on Sri Lanka at the 60th Session of Human Rights Council*'.

Mohan, Sulochana Ramiah, 2025, 2 August, 'NPP Adopts Tender-Only Policy: No more Govt-to-Govt Projects – Prof. Hemapala, Energy Secretary', *Ceylon Today*.

Mudugamuwa, Maheesha, 2025, 6 April, 'United Petroleum: Termination agreement finalised, no damages claimed', *The Morning*.

Muralithas, Visvalingam, 2025, 24 November, 'Sri Lanka's Digital Transformation', *The Island*.

Newswire, 2025, 5 December, 'Full text of President's statement on budget, disaster relief and criticism'.

Newswire, 2026, 1 January, 'CERT reports surge in cybersecurity complaints in 2025'.

NPP (National People's Power). Election Manifesto, 2024, August, '*A Thriving Nation, A Beautiful Life*'.

Office of the Cabinet of Ministers - Sri Lanka, 2025, 24 March, '*Press briefing of Cabinet Decision taken on 2025-03-24 (Subject to Confirmation at the next Meeting) on National Anti-Corruption Action Plan 2025 – 2029*'.

Perera, Jehan, 2025, 28 October, 'Barometer confirms window for political settlement', *The Island*.

President's Media Division, Sri Lanka, 2025, 25 April, '*President Extends Condolences to Indian Prime Minister Over Kashmir Terror Attack*'.

President's Media Division, Sri Lanka, 2025, 4 July, '*«Prajashakthi» National Programme Launched*'.

President's Media Division, Sri Lanka, 2025, 30 October, '*Committed to Addressing the Challenge Posed by Dangerous Drugs*'.

Seneviratne, Ranul, 2025, 6 February, 'Rice under Siege: Story of How Price Controls and Tariffs Broke Sri Lanka's Staple Supply Chain', *Advocata Institute Website*.

Sri Lanka Barometer, National Public Opinion Survey on Reconciliation, 2025, 'Reconciliation, Governance, and Civic Engagement in a Time of Transition'.

Sri Lanka Navy, 2025, 18 February, 'Australia delivers Shallow Water Multi-Beam Echo Sounder to strengthen Sri Lanka's hydrographic capabilities'.

Sultana, Gulbin, 2026, 8 January, 'Cyclone Ditwah and Sri Lanka's Fragile Recovery: Climate, Debt and Governance Challenges', *MP-IDSA Website*.

Tamil Guardian, 2025, 5 March, 'Sri Lanka claims 'extremist' group operating in East'.

The Morning, 2025, 25 February, 'Opposition Leader: Sajith Premadasa breaks down govt. mandate'.

The Sunday Times, 2025, 14 December, 'President leads global aid drive for Ditwah disaster recovery'.

The Sunday Times, 2025a, 9 November, 'President on a roll as some parts of Budget speech sounded like top of the pops «Greatest Hits» compilation'.

The Sunday Times 2025b, 9 November, 'War on drugs; New wine in old bottle?'.

UNODC, 2025, 26 October, Speech by Mr. Waruna Sri Dhanapala, Secretary (Actg.) of the Ministry of Digital Economy and Head of Delegation, Government of Sri Lanka, '*United Nations Convention against Cybercrime: Strengthening International Cooperation for Combating Certain Crimes Committed by Means of Information and Communications Technology Systems and for the Sharing of Evidence in Electronic Form of Serious Crimes*'.

Uyangoda, Jayadeva, 2026, 7 January, 'Year One of the NPP Government: Some Heretical Thoughts', *Polity*.

World Bank Group, 2025, 23 April, '*Sri Lanka's Economy Outpaces Growth Projections, More Efforts Needed to Reduce Poverty, Boost Medium-term Growth*'.

Pakistan 2025: Internal governance challenges, security perils and foreign policy crosswinds

Marco Corsi

Asia Maior – An Italian think tank on Asia
macorsi@gmail.com

In 2025, Pakistan faced significant political turmoil alongside enduring security and economic concerns, with foreign relations emerging as a pivotal factor. The 2024 general elections, which brought the Pakistan Muslim League-Nawaz (PML-N) to power under the leadership of Prime Minister Shehbaz Sharif, had been marred by the exclusion of Pakistan TehreekeInsaf (PTI) and the imprisonment of its leader, former Prime Minister Imran Khan. This gave way to a legitimacy crisis, deepening polarisation and fuelling the rise of Tehreek-e-Tahaffuz-e-Ayeen Pakistan (TTAP), an opposition alliance demanding constitutional supremacy. Economically, amid persistent structural weaknesses, high debt repayments, sluggish exports, and limited fiscal space, short-term stabilisation and modest growth projections were achieved in 2025 with support from the International Monetary Fund (IMF) and the World Bank. Still, government investment plans struggled to inspire confidence, with the fiscal year 2025-26 budget reflecting the dual challenge of reducing development spending while expanding defence outlays amid rising tensions with India. Militancy also escalated, with the Baluchistan Liberation Army (BLA) and Tehreek-e-Taliban Pakistan (TTP), among other groups, increasingly targeting China-funded projects. The April 2025 terrorist attack in Kashmir sparked a serious confrontation with India, marked by reciprocal missile and drone strikes, before the United States brokered a ceasefire. Relatedly, foreign policy was Pakistan's standout focus in 2025. Its relations with the United States steadied, shifting toward a transactional partnership centred on security and targeted investment. Regionally, Pakistan kept channels open across both South and Central Asia while managing ongoing tensions with India and Afghanistan, and it continued to deepen its long-standing ties with Saudi Arabia.

Keywords – Economy; India; foreign affairs; militancy; United States.

1. *Introduction*

In 2025, Pakistan faced a convergence of internal political unrest, economic fragility, and escalating regional tensions, all while the United States was reasserting itself as a decisive player in its security and diplomatic calculus.

Still, the stage was set by the February 2024 general elections, which returned Shehbaz Sharif and the PML-N to power. That party's accession was, however, overshadowed by the exclusion of the PTI and the imprisonment of former Prime Minister Imran Khan. These developments deep-

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

ened polarisation, eroded public confidence in the democratic process, and sparked a wave of protests. Pakistan's internal strife intensified with the formation of the TTAP, a multi-party opposition alliance advocating for constitutional supremacy and civilian oversight.

Civil liberties came under further strain with the passage of the Prevention of Electronic Crimes (Amendment) Act 2025, which expanded government control over digital content and introduced new means of mass surveillance. Further concerns about freedom of expression and judicial independence were raised following the approval of the 27th Constitutional Amendment, which restructured Pakistan's judicial and military architecture, effectively sidelining the Supreme Court and consolidating military authority.

These political challenges unfolded amid a relatively stable macroeconomic environment: inflation had fallen to a nine-year low, though growth forecasts were revised downward to 3%, indicating fiscal pressure, structural inefficiencies, and significant external debt repayments amounting to more than US$ 22 billion [*Reuters* 2025, 7 February]. The government's pursuit of an export-led recovery was met with scepticism, given the impact of recent US tariffs and aid suspensions under Executive Order 14169, issued by President Trump [GovInfo 2025, 20 January].

The year 2025 was marked by Pakistan's particular focus on nurturing its international ties. Islamabad's renewed engagement in global affairs was reflected in its recalibrated relations with Washington. With the new Trump administration, Washington was shifting its bilateral relationship with Islamabad to a commercial, interest-driven and narrowly defined strategic engagement, giving way to a transactional dynamic geared toward alignment with the «America First» doctrine. Pakistan-US relations appeared to be thawing despite years of mistrust, evidenced by high-level visits from both sides [*Dawn* 2025, 26 June]. Pakistan supported US counterterrorism operations, while Washington reached investment deals with Islamabad in trade, energy and minerals [Mustafa 2025, 5 August; United States Department of State 2025, 11 August]. Islamabad also consolidated its relations with partners across South Asia, Central Asia, and the Middle East despite persistent tensions with India and Afghanistan [Manning 2025, 23 October]. Both the April 2025 crisis with India (sparked by a terrorist attack in Kashmir) and the conflict with Afghanistan escalated into serious confrontations. US engagement proved crucial in brokering a ceasefire with New Delhi, underscoring Washington's enduring leverage.

2. *Confrontation in Pakistani politics and mounting concerns over the diminishing space for civilian liberties and institutions*

The PTI first emerged as a significant political force with the 2013 general elections, which laid the groundwork for Imran Khan's victory in the 2018

elections. His tenure was marked by alignment – and later tension – with the military, ultimately leading to his ouster in 2022. Since then, and despite disqualification, imprisonment, and allegations of military interference, Khan and the PTI have remained central to Pakistan's polarised politics. Despite repression, the PTI continues to mobilise significant public support, positioning itself as the primary challenge to Pakistan's political order [Corsi 2025, pp. 360-362].

In December 2024, Pakistan's political scene shifted when the government and the PTI began discussions to ease tensions. These talks focused on key issues, most notably including the release of Imran Khan and other party members. The PTI also called for a judicial inquiry into the events of 9 May 2023, when violent protests targeted military facilities following Khan's arrest, leading to large-scale arrests and military trials of PTI activists [Corsi 2024, pp. 358-362]. Despite initial hope, the PTI withdrew from these negotiations in January 2025, citing the government's unwillingness to meet its demands, particularly the formation of judicial commissions to investigate the events of May 2023. The conflict escalated when, on 17 January 2025, an anti-corruption court convicted Imran Khan to 14 years of imprisonment, and his wife, Bushra Bibi, to seven years, on charges of obtaining real estate through an illegal transaction [Corsi 2025, pp. 340-342; Ellis-Petersen 2025, 17 January; Ewe 2025, 17 January; Sullivan 2025, 17 January]. These verdicts were serious setbacks in the reconciliation efforts between the PTI and the government, exacerbating political instability in the country. A third round of talks between Pakistani officials and the PTI was held in February 2025, but it faced a protracted impasse with uncertain prospects for resolution [Shehzad 2025, 15 January; Shehzad 2025, 1 February; Junaidi 2025, 6 February; *Radio Free Europe/Radio Liberty* 2025, 8 February].

In early 2025, tensions between the government and opposition escalated following the formation of a unified multi-party opposition bloc – the TTAP («Movement for the Protection of Pakistan's Constitution») – led by seasoned Pashtun nationalist Mahmood Khan Achakzai. This bloc brought together several major parties, including the PTI, Jamiat Ulema-e-Islam, Jamaat-i-Islami, and Awaam Pakistan. Achakzai, who chairs the Pashtunkhwa Milli Awami Party (a Pashtun nationalist party founded in 1989), has served multiple terms in the National Assembly and has long been recognised for his commitment to federalism and constitutionalism [*Dawn* 2025, 12 February; *Aaj News* 2025, 22 February]. The increasing involvement of military institutions in areas of civilian governance is a key point of concern for the TTAP, which asserts that they have overstepped their constitutional role by expanding their influence over policymaking processes [Corsi 2025, p. 361]. The TTAP alliance has also been critical of the Special Investment Facilitation Council (SIFC), a public entity established in 2023 to attract investment in several key sectors, including defence. The prime minister

chairs the SIFC, but military representatives work alongside civilian authorities on its various committees. Critics have argued that the SIFC has granted excessive powers to the military in civilian economic matters, enabling military interests – particularly those of a financial nature – to prevail. More specifically, concerns have been raised over the SIFC's focus on attracting investment without fully addressing the underlying structural problems facing the Pakistani economy [Anwar 2023, 30 August; Ahmed 2024, 18 February; Haider 2024, 10 May]. The TTAP alliance has heightened public awareness of the importance of the rule of law, judicial independence, and constitutional supremacy while coordinating opposition efforts and putting pressure on the government through nationwide demonstrations calling for early elections and the release of imprisoned opposition leaders [Imran 2025, 26 February].

In January 2025, the upper house of the Parliament of Pakistan enacted a bill amending the nation's cybercrime legislation, allowing the government to impose stricter penalties for the dissemination of disinformation. The Prevention of Electronic Crimes (Amendment) Act 2025 enhanced the government's oversight powers over the content appearing on various digital platforms [Digital Rights Foundation 2025]. The act led to the establishment of the Social Media Protection and Regulatory Authority, which oversees social media platforms, addresses misinformation, and ensures regulatory compliance, including by removing or censoring unlawful content [Government of Pakistan, National Assembly 2025]. The act also made it a criminal offence to deliberately spread false information that could incite fear or public disorder – an offence punishable by up to three years' imprisonment and monetary penalties. In addition, it compels social media platforms to register with the government and adhere to content-removal directives [Butt 2025, 24 January]. Critics have argued that the expanded governmental powers could undermine freedom of expression in the country. Moreover, the swift passage of the bill, which entailed limited public consultation, further intensified debates about its implications for civil liberties [Munir 2025, 23 January; Amnesty International 2025, 24 January; *Reuters* 2025, 28 January; *AP News* 2025, 29 January]. Amnesty International reported in 2025 that the Lawful Intercept Management System and the national internet firewall, collectively, enable authorities to monitor citizens' phones and censor online content [Amnesty International 2025, 9 September].

On 13 November 2025, Pakistan's 27th Constitutional Amendment was approved, introducing extensive changes to the country's judicial and military architecture [*Al Jazeera* 2025, 11 November]. It established a Federal Constitutional Court (FCC) with exclusive jurisdiction over constitutional interpretation, federal-provincial disputes, and fundamental rights, taking over the Supreme Court's prior constitutional role. The amendment also revised judicial transfers: High Court judges could now be reassigned be-

tween provinces at the recommendation of the Judicial Commission, with refusal to do so potentially triggering disciplinary action. In the military domain, the amendment abolished the post of Chairman of the Joint Chiefs of Staff Committee, effective 27 November 2025. The Chief of Army Staff was redesignated as Chief of Defence Forces (CDF), gaining constitutional authority over all three military services. Five-star officers were granted lifetime rank retention and immunity from criminal prosecution. The amendment also extended this lifetime criminal immunity to the president and expanded the protections for Governors. Additional provisions modified provincial cabinet requirements and federal-provincial fiscal arrangements [Chaudhry & Usama 2025, 8 November]. Scholars have argued that the amendment fundamentally restructured Pakistan's constitutional balance. The FCC was widely considered to have weakened judicial independence by depriving the Supreme Court of its central constitutional role and introducing an appointment mechanism susceptible to executive influence. The revised transfer rules were criticised for undermining the judicial security of tenure. However, analysts have broadly contended that military provisions were the most consequential change. Elevating the Chief of Army Staff to CDF and granting lifelong immunity formally entrenched military exceptionalism and reduced civilian oversight, creating constitutional insulation for military leadership. Overall, scholarly analysis asserted that the amendment centralised power, weakened judicial autonomy, bolstered executive/military dominance, and challenged the democratic separation of powers [Shahid 2025, 15 November; Khan 2025, 19 November].

3. *The militancy*

Since 2024, Pakistan has seen a marked increase in terrorist attacks, particularly in Baluchistan and Khyber Pakhtunkhwa. This trend is primarily driven by the intensification of the insurgency by the BLA, a secular ethno-nationalist separatist group motivated by economic grievances, and the TTP, a coalition of Islamist militant groups primarily operating along the Afghan border and benefiting from safe havens in Afghanistan [Sabharwal 2025, 2 April].

Militant factions in Baluchistan allege that the federal government exploits the province's natural resources while denying its people fair political and economic representation [Baluch 2025, July]. Tensions are further aggravated by Baluchistan's geostrategic importance (see Section 5.1) and by China's growing influence in the province. Accordingly, the BLA focuses its attacks on Pakistani security personnel and Chinese workers involved in initiatives funded by China and implemented under the China-Pakistan Economic Corridor (CPEC), the major development initiative launched in 2015 as part of the Belt and Road Initiative.

These tensions culminated on 11 March 2025 in the BLA's seizure of the Jaffar Express passenger train in Baluchistan and its 450 passengers as hostages, including about 100 members of Pakistan's security forces [Rehman 2025, 12 March]. The incident began when militants detonated explosives on the tracks, forcing the train to halt inside a tunnel during its journey from Quetta to Peshawar. The BLA then demanded that Pakistan release Baluch political prisoners, threatening to harm the hostages if Pakistan failed to comply. Pakistani security forces mounted a rescue operation, ultimately freeing the hostages after a 30-hour standoff, though not before the militants had killed 21 passengers and four paramilitary personnel. All 33 insurgents involved in the hijacking were killed over the course of the rescue operation [Shah 2025, 12 March].

Pakistan has focused much of its recent counterterrorism activities on confronting the TTP. In recent months, security forces have conducted operations in Northwest Pakistan, particularly the Khyber Pakhtunkhwa tribal areas, which have been increasingly targeted by TTP militants, especially since the Taliban regained power in Afghanistan in August 2021. Among the most violent attacks in 2025 was a suicide vehicle bombing on 28 June in Mir Ali, North Waziristan, near the border with Afghanistan, which killed 16 Pakistani soldiers and injured nearly 30 others. The attack was later claimed by a faction linked to the TTP [Khan 2025, 28 June]. On 2 July 2025, a bombing killed five officers and wounded 11 in Bajaur district; responsibility was later claimed by the Islamic State-Khorasan Province [Khan, 2025, 2 July]. Just days earlier, Pakistani troops had killed 30 TTP militants attempting to cross the border from Afghanistan near North Waziristan [Khan 2025, 4 July]. According to the Pakistani military, the TTP and allied factions have taken advantage of cross-border sanctuaries. Islamabad's subsequent crackdown on TTP bases has further strained relations with the Taliban (see Section 5.3) [Jadoon 2025, 7 March]. In fact, contrary to Pakistan's expectations, Kabul has seemingly not undertaken meaningful action against the group [Stacey 2025, 30 June].

4. *The economy*

In 2025, Pakistan's economy sparked cautious optimism following a period of severe crisis in the preceding years. Although significant challenges persisted, indicators such as disinflation, bolstered foreign currency reserves, and higher export volumes reflected early signs of macroeconomic recovery and stabilisation [Corsi 2025, p. 363; Aurangzeb 2025, 12 January; Khan 2025, 4 March; State Bank of Pakistan 2025, 2 July]. Despite adjusting its forecast for Pakistan's gross domestic product growth from 3.2% to 3% for 2025, the IMF anticipated that the country would reach 4% by 2026 [*Express Tribune* 2025, 18 January].

Pakistan has embarked on efforts to stabilise and revitalise its economy. Recent measures include large-scale support from the World Bank, the IMF, and the International Finance Corporation, as well as the launch of a plan to promote reforms, attract investment, and achieve sustainable, export-oriented growth. The World Bank approved a US$ 20 billion, 10-year lending package to support the country's economic reforms and stabilise its economy by addressing various development challenges, including malnutrition, inadequate education quality, and insufficient climate change resilience [White 2025, January 15]. This initiative complements the US$ 7 billion IMF bailout that had commenced in July 2024 with a focus on economic reforms, including broadening the tax base and eliminating preferential investment incentives [Corsi 2025, pp. 334-344]. The International Finance Corporation also increased its investments, namely in large-scale infrastructure projects, up to US$ 2 billion annually in value over the next decade [Shahid 2025, 14 February; Shahid 2025, 17 February].

In December 2024, Pakistan introduced the «Uraan Pakistan» Five-Year Transformation Plan, a locally developed economic revival programme aimed at revitalising the economy.[1] The plan seeks to position Pakistan as a US$ 1 trillion economy by 2035, reducing its reliance on external support and promoting sustainable economic growth. It centres on key reforms, including improved tax collection, export-driven expansion, the use of technology and renewable energy for diversification, and greater investment in human capital [Khan 2025, 17 March].

Despite concerted efforts to revitalise the Pakistani economy, achieving sustainable growth remains a complex task. Recent IMF infusions primarily drove stabilisation; thus, they did not indicate reduced economic vulnerability, as evidenced by Pakistan's external debt repayments exceeding US$ 22 billion in fiscal year 2025 [*Reuters* 2025, 7 February].

In June 2025, Pakistan unveiled a US$ 62 billion federal budget for fiscal year 2025-26, which cut overall spending by about 7% from the previous year [*AP News* 2025, 11 June; Shah & Shahzad 2025, 10 June]. Still, the defence allocation increased by roughly 20% to about US$ 9 billion amid mounting tensions with India, bolstering Pakistan's conventional deterrence and rapidresponse capacity. In comparison, the federal public-sector development budget retained only approximately US$ 3.5 billion to fund infrastructure, education, and health projects. This gap underscored the need to maintain critical investment while managing ongoing economic priorities amid geopolitical uncertainty, all while reassuring multilateral lenders of the country's commitment to fiscal discipline [Khan 2025, 2 June; Dilawar 2025, 10 June].

1. https://uraanpakistan.pk/

5. *Foreign affairs: momentum amid tensions in South Asia*

5.1. *US cooperation with Pakistan in the era of the «America First» doctrine*

Under the administration of former US President Joe Biden, relations with Pakistan were primarily centred on Afghanistan and broader regional stability in the aftermath of the 2021 troop withdrawal. Counterterrorism cooperation was initiated and involved intelligence-sharing activities [Government of the United States, U.S. Embassy & Consulates in Pakistan 2023, 7 March; Corsi 2024, pp. 347-348 & 365].

In January 2025, newly elected US President Trump issued Executive Order 14169, titled «Reevaluating and Realigning United States Foreign Aid», which mandated an initial 90-day suspension of all US foreign development assistance programmes to conduct a comprehensive review in pursuit of reduced global aid spending [White House 2025, 20 January]. The formal cancellation of aid packages that followed – part of President Trump's broader «America First» doctrine, purportedly aimed at prioritising US interests over long-standing international commitments – affected US$ 845 million in key projects of the United States Agency for International Development in Pakistan [Riaz 2025, 23 January; Syed 2025a, 4 February; Seddon 2025, 5 February]. All US-funded development initiatives in Pakistan came to a halt, impacting the health, education, energy, agriculture, governance, and humanitarian sectors [Syed 2025b, 4 February].

In his speech to a joint session of Congress on 4 March 2025, President Trump addressed US-Pakistan relations [White House 2025, 4 March; Khan 2025, 19 March]. His remarks on global security stood out, particularly his acknowledgement of Pakistan's role in counterterrorism efforts. He credited Pakistan for assisting in the arrest of Islamic State-Khorasan Province commander Mohammad Sharifullah, accused of involvement in the August 2021 attack near the Kabul airport that killed approximately 170 Afghan civilians and 13 US soldiers [United States Department of Defense 2024, 15 April]. That arrest operation underscored ongoing counterterrorism cooperation between Washington and Islamabad, including Washington's agreement to a US$ 397 million payment to Pakistan for F-16 aircraft maintenance, signalling the possibility of renewed military collaboration [Yousaf 2025, 1 March; Siddique 2025, 5 March; *Express Tribune* 2025, 9 March].

In their first official discussion in April, Pakistani Deputy Prime Minister and Foreign Minister Ishaq Dar and US Secretary of State Marco Rubio addressed the need to strengthen counterterrorism collaboration. Secretary Rubio also expressed interest in expanding bilateral cooperation to include trade, investment, and access to critical minerals. In response, Minister Dar highlighted the need to address Pakistan's concerns about US tariffs on Pakistani exports [*News* 2025, 7 April]. This issue stemmed from the US's announcement of new reciprocal tariffs and the significant financial pressure that Pakistan faced after the initial steep 29% levy imposed by

President Trump on 2 April 2025 [White House 2025, 2 April]. Recognising the potential damage to its key export sectors, especially textiles and garments, and the exacerbation of its economic struggles, Pakistan swiftly adopted a diplomatic approach. The government of Pakistan reached out to US officials, emphasising the need for equitable treatment, and dispatched a high-level delegation to Washington to identify a resolution. The 90-day pause in tariff enforcement granted by the Trump administration in April 2025 provided Pakistan with the opportunity to engage in dialogue and mitigate the economic fallout [Rana 2025, 6 April; *Express Tribune* 2025, 9 April]. The government's outreach centred on a pledge to increase imports from the US and signalled an intention to explore potential adjustments [*ProPakistani* 2025, 8 April; *News* 2025, 10 April]. On 13 April 2025, Pakistan and the US reaffirmed their commitment to strengthening strategic relations during a visit by a US congressional delegation to Islamabad. In a meeting with Pakistan's Minister for Planning, Development, and Special Initiatives, Ahsan Iqbal, discussions focused on fostering cooperation across technology, climate resilience, and education [*Express Tribune* 2025, 13 April].

In July 2025, the US and Pakistan finalised a trade and energy agreement that reshaped bilateral relations. This deal reduced US tariffs on Pakistani exports to 19%, in return for which Islamabad offered zero-tariff concessions for American imports, including the rollback of a 5% digital services tax and eased access for US firms. The «historic» agreement, as described by President Donald Trump, established new frameworks for cooperation in mining, information technology, and the exploration of Pakistan's newly confirmed oil reserves in Baluchistan [Shahid *et al.* 2025, 31 July]. Critical minerals, which are essential to the development of various technologies (e.g., batteries, semiconductors), were included as a crucial element of the bilateral framework. Pakistan has untapped deposits of antimony, cobalt, nickel, and copper (also in Baluchistan), resources that Islamabad has utilised to attract foreign investment. In September 2025, US Strategic Metals (USSM), an American firm that specialises in producing and recycling critical minerals, signed a memorandum of understanding on a US$ 500 million investment with Pakistan's Frontier Works Organization, a science and technology branch of the Pakistani military [Hussain & Dar 2025, 5 September; U.S. Embassy & Consulates in Pakistan 2025, 8 September].

The accord positions Pakistan as a prospective partner for Washington in mitigating China's growing influence, while offering Islamabad options beyond the China-centric CPEC development framework [Urva 2025, 10 August]. However, experts have questioned the feasibility of this plan due to the speculative nature of Pakistan's oil reserves, which have little evidence of commercially viable quantities, the security concerns in Baluchistan, and the region's persistent infrastructural and institutional weaknesses [Ellis-Petersen & Baloch 2025, 27 September]. Beyond economic uncertainty, the

deal carries certain political risks. Washington engaged directly with Prime Minister Shehbaz Sharif and Army Chief Field Marshal Asim Munir while avoiding public criticism of Pakistan's increasingly authoritarian tendencies or the potentially destabilising long-term effects of the erosion of its civil institutions [Peltier 2025, 13 August; Andreopoulos 2025, 3 September].

5.2. *The armed conflict between Pakistan and India*

A terrorist attack took place in Pahalgam – in Indian-administered Kashmir – on 22 April 2025, killing 26 tourists and kickstarting a crisis with India [Sharp 2025, 22 April]. New Delhi attributed the attack to Pakistan-based militants, namely Lashkar-e-Ṭaiba, through an affiliate group; in response to the attack, India expelled Pakistani diplomats, withdrew its diplomatic representatives from Islamabad, and shut the Attari-Wagah border crossing. Pakistani nationals were prompted to leave India by 27 April 2025, and all visa services for Pakistani citizens were halted. New Delhi also suspended the 1960 Indus Waters Treaty, a water-sharing agreement with Pakistan that governs the allocation of water from the Indus River between the two countries. Citing national security concerns, India initiated the construction of diversion canals and hydropower projects on the Chenab, Jhelum, and Indus rivers to maximise its upstream water-use rights. The suspension, which harmed Pakistan's economy and posed a risk to its national food security, heightened the risk of an escalation [Kugelman 2015, 29 June].

Pakistan rejected any notion that it played any role in the attack and condemned the suspension of the Indus Water Treaty, arguing that the suspension constituted a breach of international law aimed at weaponising water against a downstream country heavily reliant on these water resources. Islamabad sought to internationalise the issue, pursue arbitration under the World Bank's oversight mechanisms and, simultaneously, fast-track dam construction in Gilgit-Baltistan. In retaliation for India's measures, Pakistan suspended the 1972 Shimla Agreement signed after the 1971 war with New Delhi, which established the Line of Control (LoC) as both the military boundary between Indian- and Pakistani-administered Jammu and Kashmir and the *de facto* frontier in the disputed region. Pakistan also closed its airspace and trade routes to India, expelled Indian diplomats, and halted visa services for Indian citizens [Dhillon & Janjua 2025, 24 April; *Economic Times* 2025, 24 April; *Samaa TV* 2025, 24 April; Shahzad *et al*. 2025, 24 April; Khuldune 2025, 29 April; *Indian Express* 2025, 20 August; *Mint* 2025, 22 August; *Travel and Tour World* 2025, 24 August].

Tensions escalated following clashes along the LoC in Kashmir, and, on 7 May 2025, New Delhi launched Operation Sindoor, a long-range missile, drone, and artillery attack targeting sites of alleged terrorist infrastructure. Pakistan denounced the Indian strikes as an act of war, reporting that civilian facilities had been hit, incurring at least 26 civilian casualties [Iyengar & Haltiwanger 2025, 8 May]. It then staged shelling across the disputed

border in Kashmir and claimed that it had downed five Indian jets and drones [Singh 2025, 27 April; Hussain *et al.* 2025, 7 May].

Global discourse rapidly centred on the need for international mediation [*News* 2025, 30 April]. The US urged restraint and sought de-escalation but seemed ambivalent about offering direct mediation [Roy 2025, 24 April; *NDTV* 2025, 26 April; Singh & Ismail 2025, 30 April; *News* 2025, 1 May; Shalvey *et al*. 2025, 7 May]. However, on 10 May 2025, the fourth day of the conflict – marked by missile strikes, drone incursions, and aerial combat – India and Pakistan agreed to a ceasefire [Vats 2025, 30 May]. Unexpectedly, President Trump announced a truce, with US Secretary of State Marco Rubio stating that he and Vice President JD Vance had contacted high-level officials from both countries, including their prime ministers, over the preceding two days [Rehman *et al.* 2025, 10 May].

Following the cessation of hostilities, New Delhi and Islamabad accused each other of violating the agreement and announced that they had prevailed in the conflict. While India validated the neutralisation of military targets across the LoC, Pakistan celebrated their military defence system, which protected its territorial integrity and deterred escalation while retaining access to international diplomatic support. Pakistan's military, especially Army Chief Asim Munir, received a public relations boost; the episode was widely seen as a demonstration of both national resilience and military capacity. Munir's image as a leader was then bolstered by his promotion to field marshal on 20 May 2025. Pakistan undoubtedly benefited geo-strategically from US involvement. The Trump administration called for a resolution to the Kashmir dispute and resolved to internationalise an issue that the Pakistani military establishment had long championed. This marked a rare diplomatic victory for Islamabad, most notably a shift in focus from accusations of Pakistan-backed terrorism to concerns about nuclear escalation [Kugelman 2025, 21 May].

Pakistan dispatched two high-level delegations – one led by Bilawal Bhutto-Zardari, member of the National Assembly and son of late former Prime Minister Benazir Bhutto and President Asif Ali Zardari, and another by high-level diplomat Syed Tariq Fatemi – to Washington, New York, London, and Brussels in an effort to counter India's narrative and accusations of Pakistan sponsoring terrorism [Klein 2025, 10 June; *Economic Times* 2025, 11 June]. The delegations engaged with lawmakers, institutions, think tanks, media outlets, diaspora groups, and UN officials to garner support for neutral mediation and an international investigation, showcasing Pakistan's commitment to ceasefire and dialogue, particularly on Jammu and Kashmir and the suspended Indus Waters Treaty [Reed 2025, 11 June]. The visits reflected Islamabad's pursuit of a high-level public diplomacy strategy aimed at shaping international perceptions by presenting itself as an actor committed to de-escalation and dialogue. This approach succeeded in securing public calls for peace from the European Union and the US.

5.3. *Tensions between Islamabad and Kabul*

Since the Taliban's return to power in 2021, Pakistan's relations with Afghanistan have become increasingly strained, with rising cross-border hostilities and military operations conducted by Islamabad on Afghan soil, triggered by the Taliban's reluctance to curb anti-Pakistan militants [Corsi 2025, pp. 346-347]. On 21 February 2025, the Torkham border crossing – a vital conduit for bilateral trade and transit – was closed by Pakistan due to a dispute over Taliban construction activities near the border. On 23 March 2025, tensions escalated when Pakistani and Afghan forces exchanged fire across the border [*Al Jazeera* 2025, 3 March; *Al Jazeera*, 22 January; Bariz 2025, 19 April]. Diplomatic channels remained active despite the ongoing tensions. Pakistani Foreign Minister Ishaq Dar visited Kabul, and both countries pledged to cooperate on security, trade, transportation, and connectivity [Fazlullah 2025, 17 March]. Progress was made in the easing of bilateral tensions through diplomatic outreach and economic cooperation. The reopening of the Torkham border crossing in March 2025 marked a significant turning point, facilitating the resumption of trade and transit flows following a period of disruption [*AP News* 2025, 19 March]. High-level talks followed, centred on reviving the Afghanistan-Pakistan Transit Trade Agreement and enhancing connectivity by launching a feasibility study for the Uzbekistan-Afghanistan-Pakistan railway corridor, on which officials signed a tripartite framework agreement in Kabul in July 2025 [Saidov 2025, 17 July]. By mid-2025, bilateral trade had reached nearly US$ 1 billion in value, and Pakistan had established itself as a major supplier of industrial and food products to Afghanistan [Yousafzai 2025, 15 July].

Despite improvements in the trade ties between them, border violence escalated again in mid-October 2025 after Afghan Taliban troops fired on Pakistani posts in retaliation for Pakistani airstrikes launched into Afghan territory in September 2025. In response, Pakistan used artillery to destroy several Afghan border positions and, once again, closed all major crossings. Islamabad acknowledged having suffered 23 losses from the attack and claimed to have killed many militants in response. Both sides blamed each other: Pakistan accused Afghanistan of harbouring anti-state militants, while Afghanistan protested the violations of its airspace and territory [*Arab News PK* 2025, 12 October; Khan 2025, 12 October; Latif 2025, 12 October; Rehman *et al.* 2025, 12 October].

A fragile ceasefire mediated by Qatar and Turkey was brokered in Doha on 19 October 2025, thereby laying the foundation for the internationalisation of bilateral discussions. The agreement included pledges to stop supporting hostile groups, refrain from attacking civilians, and establish monitoring mechanisms [Shahzad *et al.* 2025, 18 October; Jilani 2025, 19 October; Regencia 2025, 19 October]. Peace talks were conducted in Istanbul in October and November 2025 between Pakistan and Afghanistan's Taliban government, but failed to produce a workable solution

[Khan 2025, 30 October]. Pakistani Information Minister Attaullah Tarar accused the Taliban of deflecting responsibility over cross-border terrorism [*News* 2025, 29 October]. These clashes along the border undoubtedly impacted bilateral trade, with the closure of major border crossings disrupting supply chains and halting transit trade. For Pakistan, border instability not only undermined the economy but also complicated Islamabad's aspirations to become a significant transit hub following regional trade integration through initiatives like the CPEC, the Turkmenistan-Afghanistan-Pakistan-India natural gas pipeline, and the Central Asia-South Asia electricity transmission project (CASA-1000) [Afridi 2025, 19 October; Akhter 2025, 19 October].

Meanwhile, Islamabad was hit by a deadly attack on 11 November 2025 when a suicide bomber detonated himself near a district court complex, killing 12 people and injuring almost 30 others. The Taliban, which had previously threatened to attack Islamabad in retaliation for the airstrikes, was blamed by the Pakistani military as the culprit for the attack despite a TTP-affiliate militant group claiming responsibility [Ahmed & Mahsud 2025, 12 November; Shah & Shahzad 2025, 12 November].

5.4. *Pakistan's strengthened ties across Asia and the Middle East*

Pakistan's relationship with Bangladesh – historically strained due to the legacy of the 1971 independence war – has improved in recent years. In September 2024, Dhaka and Islamabad resumed high-level diplomacy when Muhammad Yunus, head of Bangladesh's interim government, met with Pakistani Prime Minister Shehbaz Sharif in New York, where they emphasised the importance of strengthening bilateral relations. Soon after the meeting, direct trade resumed, and various restrictions (e.g., stringent cargo inspections, visa requirements) were lifted [Moinuddin 2024, 26 September; *Profit* 2024, 15 November; Hasnain 2025, 12 January]. Pakistan and Bangladesh have also begun coordinating defence and intelligence exchanges, including visits by military delegations [Government of Pakistan, Ministry of Foreign Affairs 2025, 12 January; Hassan 2025, 13 January; *AP News* 2025, 14 January; Malik 2025, 15 January; Hassan 2025, 3 February]. On 24 August 2025, Ishaq Dar's visit to Dhaka pointed to efforts to shift strategic relations toward commercial cooperation and increased exchanges [Kugelman 2025, 27 August].

Pakistan-Sri Lanka relations remained warm and cooperative. At the February 2025 World Governments Summit in Dubai, Prime Minister Shehbaz Sharif and Sri Lankan President Anura Kumara Dissanayake agreed to deepen high-level exchanges in trade, defence, education, tourism, and sports [*Radio Pakistan* 2025, 11 February]. In April 2025, Islamabad hosted the fifth round of the Pakistan-Sri Lanka Armed Forces Defence Dialogue, during which the two sides reaffirmed strong collaboration across security domains, with defence training and military cooperation set to continue

under long-standing partnerships [Government of Pakistan, Press Information Department 2025, 30 April].

Energy-deficient Pakistan has also recently expressed interest in deepening its ties and connectivity links with gas-rich Central Asian states [Corsi 2024, p. 366; Abdullaev 2024, 31 December]. These links include the above-mentioned transnational rail project connecting Pakistan to Uzbekistan via Afghanistan, with construction expected to begin soon [*Afghanistan International* 2025, 5 February]. Geopolitical factors have also underpinned Pakistan's push into Central Asia, which limits India's ability to secure direct land access and transit trade with the region. Accordingly, Pakistani Prime Minister Shehbaz Sharif visited Azerbaijan in February 2025, meeting with President Ilham Aliyev and finalising accords in trade, energy, and connectivity. The subsequent visit of Sharif to Uzbekistan resulted in an additional trade deal [Abdullaev 2024, 31 December; Zaman 2025, 24 February; Government of Pakistan, Ministry of Foreign Affairs 2025, 25 February; *Dawn* 2025, 26 February].

In September 2025, Pakistan signed a Strategic Mutual Defence Agreement with Saudi Arabia, marking a significant moment in its external relations. The pact stated that an attack on one would be considered an attack on both, placing Pakistan at the heart of a security arrangement that extended into the Gulf. While the two countries had been cooperating for several decades, this step formalised the partnership and gave Islamabad a stronger role in regional security affairs [Markey 2025, 23 September]. For Pakistan, the agreement reinforced its position as a partner actively sought out for defence cooperation, not only within South Asia but globally. The arrangement also laid avenues for closer military collaboration and deepened a relationship that had historically combined defence, political, and financial ties [Zeb 2025, 18 September]. References to Pakistan's nuclear capability added dimension to the agreement, with Pakistani officials portraying the deterrent as linked to broader security cooperation [Varvelli 2025, 20 September; White 2025, 24 September; Waseem 2025, 25 September].

6. *Conclusions*

In 2025, Pakistan faced substantial internal political and security challenges while pursuing a policy agenda heavily focused on external relations. Politics were tense, carefully managed by the Sharif administration, leaving limited room for competitive political expression capable of challenging the governing authorities. Attempts at dialogue with the opposition were ongoing throughout the year, but mistrust among key actors meant that hopes for a more inclusive political environment could only advance slowly. The ongoing detention of Imran Khan and the PTI's constrained status only reinforced this atmosphere of political friction. The emergence of the

TTAP alliance further highlighted concerns over constitutional governance and the evolving balance between civilian authority and military influence.

Security developments continued to test the state. Militant violence intensified in Baluchistan and Khyber Pakhtunkhwa, showcasing the ability of the BLA and TTP to disrupt internal stability and put sustained pressure on security institutions.

Economically, stabilisation efforts offered some relief by moderating inflation and securing external financial support. Nonetheless, Pakistan's reliance on international partners to steady its economy underscored not only the country's resilience but also its vulnerability. High external debt repayments, restricted fiscal space, and long-standing structural constraints remained central challenges. The fiscal year 2025-26 budget reflected these tensions, reducing development spending while raising defence allocations amid heightened regional tensions.

Foreign policy was the country's most dynamic and outward-facing dimension in 2025. The government prioritised pragmatic diplomacy, seeking to maintain constructive relations with major partners, including the United States and Gulf states. Its confrontation with India illustrated the volatility of the regional environment and reaffirmed the importance of external mediation, particularly from Washington. Relations with Afghanistan deteriorated markedly, with border clashes and airstrikes giving way to an unpredictable security context despite intermittent diplomacy and a brief ceasefire. Meanwhile, new economic and security agreements – particularly those with the United States and Saudi Arabia – reflected Islamabad's efforts to diversify its strategic options and bolster its international position.

Bibliography

Aaj News, 2025, 22 February, 'Mahmood Khan Achakzai: Pakistan trapped in crisis due to wrong leadership'.

Abdullaev, Anvar, 2024, 31 December, 'President of Tajikistan meets with intelligence chief of Pakistan', *24.kg*.

Afghanistan International, 2025, 5 February, 'Uzbekistan announces Trans-Afghan railway construction to begin in 2025'.

Afridi, Abuzar, 2025, 19 October, 'Border closure halts bilateral, transit trade', *The Express Tribune*.

Ahmed, Munir, & Ishtiaq Mahsud, 2025, 12 November, 'Suicide bomber strikes outside court in Pakistan's capital', *AP News*.

Ahmed, Salman, 2024, 18 February, 'Transforming Investment in Pakistan Through SIFC', *The Geopolitics*.

Akhter, Saadullah, 2025, 19 October, '«Market is almost dead»: Traders in Pakistani border town decry border closures', *Arab News*.

Al Jazeera, 2025, 22 January, 'Advocates and family react as Trump cancels Afghan refugee resettlement'.

Al Jazeera, 2025, 3 March, 'Pakistani and Afghan forces clash at vital border crossing'.
Al Jazeera, 2025, 11 November, 'How would Pakistan's 27th Amendment reshape its military and courts?'.
Amnesty International, 2025, 24 January, 'Pakistan: Authorities pass bill with sweeping controls on social media'.
Amnesty International, 2025, 9 September, 'Pakistan: Mass surveillance and censorship machine is fueled by Chinese, European, Emirati and North American companies'.
Andreopoulos, Marcus, 2025, 3 September, 'Trump's Pakistan deal risks neglecting the plight of Imran Khan', *9DashLine*.
Anwar, Mustafa, 2023, 30 August, 'Impact of the Special Investment Facilitation Council (SIFC) on Foreign Direct Investment', *Public Finance Pakistan*.
AP News, 2025, 14 January, 'Bangladesh and Pakistan resume talks after 15 years, seek to mend strained ties'.
AP News, 2025, 29 January, 'Pakistani journalists protest after Senate passes bill allowing control over social media content'.
AP News, 2025, 19 March, 'Trade resumes as Pakistan and Afghanistan reopen key Torkham border crossing'.
AP News, 2025, 11 June, 'Pakistan hikes defence budget 20% following conflict with India, but overall spending is cut'.
Arab News PK, 2025, 12 October, 'Pakistan warns of «befitting response» as 23 soldiers killed in Afghan border clashes'.
Aurangzeb, Muhammad, 2025, 12 January, 'Pakistan's economic revival: a path towards sustainable and inclusive growth', *World Economic Forum*.
Baluch, Dilshad, 2025, July, 'Inside Pakistan's War on Baloch Students', *The Diplomat Magazine*.
Bariz, Yama, 2025, 19 April, 'Pakistan and Afghan forces exchange fire at key border crossing', *BBC News*.
Butt, Naveed, 2025, 24 January, 'PECA Amendment Bill approved by NA', *Business Recorder*.
Chaudhry, Waqas, & Usama Iqbal, 2025, 8 November, 'President cannot be arrested for lifetime', *The Express Tribune*.
Corsi, Marco, 2024, 'Pakistan 2023: Multiple crises in the lead-up to the general elections', *Asia Maior*, Vol. XXXIV/2023.
Corsi, Marco, 2025, 'Pakistan 2024: Political turmoil and economic instability', *Asia Maior*, Vol. XXXV/2024.
Dawn, 2025, 12 February, 'Opposition alliance resolves to give govt «a tough time»'.
Dawn, 2025, 26 February, 'Pakistan and Uzbekistan agree to expand bilateral trade to $2bn'.
Dawn, 2025, 26 June, 'Pakistan fully committed to building a secure, prosperous regional environment with allies: COAS'.
Dhillon, Amrit, & Haroon Janjua, 2025, 24 April, 'India tells Pakistan nationals to leave after Pahalgam attacks in Kashmir', *The Times*.
Digital Rights Foundation, 2025, 'The Prevention of Electronic Crimes (Amendment) Act, 2025 DRF Analysis and Recommendations'.
Dilawar, Ismail, 2025, 10 June, 'Pakistan to raise defense spending by 20% in FY26 amid tensions with India', *Arab News*.
Economic Times, 2025, 24 April, 'Simla Agreement suspended: Pakistan's Simla pact pullout hints at sharp break from peace-based path in India relations'.

Economic Times, 2025, 11 June, 'Copy-paste diplomacy?'.
Ellis-Petersen, Hannah, 2025, 17 January, 'Pakistan ex-PM Imran Khan sentenced to 14 years in prison in corruption case', *The Guardian*.
Ellis-Petersen, Hannah & Baloch Shah Meer, 2025, 27 September, 'Trump brags of «massive» oil deal in Pakistan – but drilling has not found any', *The Guardian*.
Ewe, Koh, 2025, 17 January, 'Imran Khan jailed for 14 years in corruption case', *BBC News*.
Express Tribune, 2025, 18 January, 'IMF revises Pakistan's GDP growth outlook for 2025 to 3%'.
Express Tribune, 2025, 9 March, 'US military «grateful to Pakistan» for Sharifullah's arrest'.
Express Tribune, 2025, 9 April, 'Pakistan to send high-level delegation to US for trade talks'.
Express Tribune, 2025, 13 April, 'Pakistan, US renew commitment to cooperation'.
Fazlullah, Qazi, 2025, 17 March, 'Pakistan, Afghanistan reach agreement for ceasefire', *The News*.
Government of Pakistan, Ministry of Foreign Affairs, 2025, 12 January, *Sixth Round of Pakistan-Bangladesh Bilateral Consultations Held in Islamabad*.
Government of Pakistan, Ministry of Foreign Affairs, 2025, 25 February, *Curtain Raiser: Prime Minister Muhammad Shehbaz Sharif's Visit to the Republic of Uzbekistan (25-26 February 2025)*.
Government of Pakistan, National Assembly, *The Prevention of Electronic Crimes (Amendment) Bill, 2025*.
Government of Pakistan, Press Information Department, 2025, 30 April, PR No. 383.
Government of the United States, U.S. Embassy & Consulates in Pakistan, 2023, 7 March, 'Two-day U.S.-Pakistan Counterterrorism Dialogue Concludes in Islamabad'.
Government of the United States, U.S. Embassy & Consulates in Pakistan, 2025, 8 September, *U.S. Strategic Metals Signs MOU on Critical Minerals in Pakistan*.
GovInfo, 2025, 20 January, *Executive Order 14169 - Reevaluating and Realigning United States Foreign Aid*.
Haider, Syed, 2024, 10 May, 'Military officers' growing role in Pakistan's economy sparks concern - not their job, say critics', *The Print*.
Hasnain, Khalid, 2025, 12 January, 'Bangladesh eases visa process for Pakistanis', *Dawn*.
Hassan, Mohammad Nazmul, 2025, 3 February, 'AMAN-25 drills kick off with focus on regional cooperation', *Dawn*.
Hassan, S. M. Kamrul, 2025, 13 January, 'Six-member Bangladesh military delegation visits Pakistan', *Dhaka Tribune*.
Hussain, Aizaz, & Zainab Dar, 2025, 5 September, 'Pakistan's Potential Path to Global Relevance through Critical Minerals', *South Asian Voices*.
Hussain, Shaiq, Rick Noack, Karishma Mehrotra, Shams Irfan, & Haq Nawaz Khan, 2025, 7 May, 'Pakistan claims to have downed Indian warplanes, vows response to strikes', *The Washington Post*.
Imran, Mohammad, 2025, 26 February, 'Opposition Grand Alliance accuses govt of preventing national conference', *Express Tribune*.
Indian Express, 2025, 20 August, 'Pakistan extends airspace ban for Indian aircraft till September 23'.
Iyengar, Rishi, & John Haltiwanger, 2025, 8 May, 'How India and Pakistan Can Pull Back from the Brink', *Foreign Policy*.

Jadoon, Amira, 2025, 7 March, 'Decoding Pakistan's 2024 Airstrikes in Afghanistan', *War on the Rocks*.
Jilani, Humza, 2025, 19 October, 'Pakistan and Afghanistan agree ceasefire', *Financial Times*.
Junaidi, Ikram, 2025, 6 February, 'PTI ropes in ex-PM Abbasi to steer opposition alliance', *Dawn*.
Khan, Abu Bakar, 2025, 19 November, 'Pakistan dispatch: Constitutional amendment reshapes judicial power', *Jurist News*.
Khan, Hasaan Ali, 2025, 2 June, 'Pakistan earmarks $3.5 billion for development projects in upcoming budget', *Arab News*.
Khan, Maheen, 2025, 17 March, 'Reassessing Pakistan's Economic Trajectory: Can Uraan Pakistan Break the Cycle of Debt and Dependency?', *South Asian Voices*.
Khan, Mubarak Zeb, 2025, 4 March, 'Inflation drops to lowest in nearly a decade', *Dawn*.
Khan, Munir, 2025, 28 June, 'Suicide car bombing in Pakistan kills 14 soldiers', *AP News*.
Khan, Munir, 2025, 2 July, 'Roadside bomb hits vehicle carrying gov't administrator in NW Pakistan', *AP News*.
Khan, Munir, 2025, 4 July, 'Troops kill 30 militants attempting to sneak into Pakistan', *AP News*.
Khan, Tahir, 2025, 12 October, '23 troops martyred, 200 Taliban and affiliated terrorists neutralised in border skirmishes with Afghanistan: ISPR', *Dawn*.
Khan, Umair Pervez, 2025, 30 October, 'Lost accord: Collapse of Pakistan-Afghanistan peace hopes', *Daily Sabah*.
Khan, Umair, 2025, 19 March, 'A New Page In US-Pakistan Relations: Trump's Call For Increased Counterterrorism Cooperation', *Eurasia Review*.
Khuldune, Shahid Kunwar, 2025, 29 April, 'What Will Clashes With India Mean for Pakistan's Fragile Ruling Alliance?', *The Diplomat*.
Klein, Lauren, 2025, 10 June, 'India and Pakistan launch rival diplomatic efforts to spin Kashmir conflict', *Financial Times*.
Kugelman, Michael, 2025, 21 May, 'Pakistan's Generals Get a Reputational Boost', *Foreign Policy*.
Kugelman, Michael, 2015, 29 June, 'Nightmare scenarios', *Dawn*.
Kugelman, Michael, 2025, 27 August, ''Bangladesh-Pakistan Ties Get Dramatic Reset?', *Foreign Policy*.
Latif, Aamir, 2025, 12 October, 'Pakistan calls for dialogue with Afghanistan in wake of border clashes', *Anadolu Agency*.
Malik, Asim, 2025, 15 January, 'Air Chief reaffirms commitment to enhancing military ties with Bangladesh', *Radio Pakistan*.
Manning, Robert A., 2025, 23 October, 'Pakistan's Year of Diplomatic Miracles', *Foreign Policy*.
Markey, Daniel, 2025, 23 September, 'Pakistan-Saudi Arabia Defense Pact: Mutual Security, Nuclear Dimensions', *Foreign Policy*.
Mint, 2025, 22 August, 'India extends airspace ban on Pakistani aircraft again, this time till 23 September'.
Moinuddin, AKM, 2024, 26 September, 'Yunus meets Pakistan PM in NY, calls for Saarc revival', *The Times of India*.
Munir, Ahmed, 2025, 23 January, 'Pakistan's parliament passes bill with sweeping controls on social media', *AP News*.

Munir, Ahmed, 2025, 30 July, 'Pakistan and US reach a trade agreement to develop oil reserves and reduce tariffs', *AP News*.
Mustafa, Ali, 2025, 5 August, 'Not a Reset, But a Pragmatic Refashioning of U.S.-Pakistan Ties', *South Asian Voices*.
NDTV 2025, 26 April, 'India, Pakistan Fighting For 1,500 Years On Border: Donald Trump After Pahalgam Terror Attack'.
News, *The*, 2025, 1 May, 'US pushes India and Pakistan to work together to de-escalate tensions'.
News, *The*, 2025, 7 April, 'Pakistan, US vow to enhance counter-terrorism cooperation'.
News, *The*, 2025, 10 April, 'Pakistan calls for win-win solution to US tariffs issue'.
Peltier, Elian, 2025, 13 August, 'Pakistan Is in Trump's Good Graces, but for How Long?', *The New York Times*.
News, *The*, 2025, 30 April, 'US to mediate as India-Pakistan tensions escalate'.
News, *The*, 2025, 29 October, 'After four days, Pakistan-Afghan Taliban dialogue collapses in Istanbul'.
Profit, 2025, 4 February, US suspends $845m aid projects in Pakistan following Trump's directive.
Profit, 2024, 15 November, 'Pakistan cargo ship docks in Bangladesh for the first time since 1971'.
ProPakistani, 2025, 8 April, 'Pakistan to save over $2 billion in import bill thanks to Trump's new trade tariffs: report'.
Radio Free Europe/Radio Liberty, 2025, 8 February, 'Pakistan's Opposition Takes To Streets On Anniversary Of Disputed Elections'.
Radio Pakistan, 2025, 11 February, 'Pakistan, 'Sri Lanka agree to increase bilateral relations'.
Rana, Shahbaz, 2025, 6 April, 'Pakistan to engage US on tariffs', *The Express Tribune*.
Reed, Edward, 2025, 11 June, 'Ex-Pakistan foreign minister warns full-scale war with India closer than ever', *New York Post*.
Regencia, Ted, 2025, 19 October, 'Afghanistan, Pakistan agree to immediate ceasefire after peace talks in Doha', *Al Jazeera*.
Rehman, Zia ur-, 2025, 12 March, 'Pakistan Separatists Hijack Train With 400 Onboard and Give Ultimatum', *The New York Times*.
Rehman, Zia ur-, Mujib Mashal, Anupreeta Das, & Pragati K. B., 2025, 10 May, 'India and Pakistan agree to a cease-fire: What we know', *The New York Times*.
Rehman, Zia ur-, Yaqoob Akbary, Safiullah Padshah, & Elian Peltier, 2025, 12 October, 'Border clash between Afghanistan and Pakistan threatens a wider conflict', *The New York Times*.
Reuters, 2025, 28 January, 'Pakistani journalists rally against law regulating social media'.
Reuters, 2025, 7 February, 'Fitch says Pakistan faces big external financing risks despite economic progress'.
Riaz, Muhammad Haseeb, 2025, 23 January, 'The Future of US-Pakistan Relations', Global Security Review.
Roy, Shubhajit, 2025, 24 April, 'Vance dials PM Modi, condemns terror attack', *The Indian Express*.
Sabharwal, Sharat, 2025, 2 April, 'Pakistan's crisis is South Asia's crisis', *The Tribune*.
Saidov, Bakhtiyor, 2025, 17 July, 'Uzbekistan, Pakistan and Afghanistan Sign Agreement on Trans-Afghan Railway', *Astana Times*.

Samaa TV, 2025, 24 April, 'Pakistan shuts Wagah border, suspends Simla Accord, expels Indians'.
Seddon, Sean, 2025, 5 February, 'What is USAID and why is Trump reportedly poised to close it?', *BBC News*.
Shah, Meer, 2025, 12 March, 'Pakistan operation to free hostages after train hijacking ends with dozens killed', *The Guardian*.
Shah, Saeed, & Asif Shahzad, 2025, 10 June, 'Pakistan boosts defence budget by 20% but slashes overall spending in 2025-26', *Reuters*.
Shah, Saeed, & Asif Shahzad, 2025, 12 November, 'Explosion Injures Several Outside Court in Pakistan's Capital', *Reuters*.
Shahid, Ariba, 2025, 14 February, 'HBL, S&P Global launch Pakistan's first manufacturing PMI', *Reuters*.
Shahid, Ariba, 2025, 17 February, 'IFC chief says it is doubling down on Pakistan, eyeing large infrastructure financing', *Reuters*.
Shahid, Ariba, Asif Shahzad, & Kanishka Singh, 2025, 31 July, 'Pakistan says it wins US tariff deal; Trump cites oil reserves pact', *Reuters*.
Shahid, Zainab, 2025, 15 November, '27th Amendment: the end of an era', *Dawn*.
Shahzad, Asif, Ariba Shahid, & Fayaz Bukhari, 2025, 24 April, 'India calls all-party meet, summons top Pakistani diplomat after Kashmir attack', *Reuters*.
Shahzad, Asif, Mohammad Yunus Yawar, & Mushtaq Ali, 2025, 18 October, 'Pakistan and Afghanistan agree to immediate ceasefire after peace talks in Doha', *Reuters*.
Shalvey, Kevin, Victoria Beaule, Prashun Mazumdar, & Meredith Deliso, 2025, 7 May, 'At least 31 dead in Pakistan in overnight India attacks, military says', *ABC News*.
Sharp, Alexandra, 2025, 22 April, 'Kashmir Reels from Deadliest Attack on Civilians in Decades', *Foreign Policy*.
Shehzad, Rizwan, 2025, 15 January, 'Govt not bound to follow PTI's January 31 deadline', *The Express Tribune*.
Shehzad, Rizwan, 2025, 1 February, 'Govt pulls plug on talks after PTI walks away', *The Express Tribune*.
Siddique, Abubakar, 2025, 5 March, 'Pakistan's Arrest Of Islamic State Operative Signals Renewed U.S. Cooperation', *Radio Free Europe/Radio Liberty*.
Singh, Kanishka, 2025, 27 April, 'US in touch with India and Pakistan; urges work toward «responsible solution»', *Reuters*.
Singh, Kanishka, & Ismail Shakil, 2025, 30 April, 'US urges India and Pakistan to de-escalate tensions after Kashmir attack', *Reuters*.
Stacey, Kiran, 2025, 30 June, 'Pakistan pays price for Taliban's return to power in Afghanistan', *Financial Times*.
State Bank of Pakistan, 2025, 2 July, *Press Release on SBP Reserves*.
Sullivan, Rory, 2025, 17 January, 'Pakistan's former Prime Minister Imran Khan sentenced to 14 years in jail for corruption', *Euronews*.
Syed, Azaz, 2025a, 4 February, 'US suspends $845m aid projects in Pakistan amid policy shift', *Geo News*.
Syed, Azaz, 2025b, 4 February, 'Washington suspends $845m USAID projects in Pakistan', *The News*.
Travel and Tour World, 2025, 24 August, 'India has extended its new airspace closure for all Pakistan planes until September end, impacting the aviation and tourism industry'.

United States Department of Defense, 2024, 15 April, *Kabul Airport Attack Review Reaffirms Initial Findings, Identifies Attacker*.
United States Department of State, 2025, 11 August, *Terrorist Designation of The Majeed Brigade*.
Urva, Rind Mohammad, 2025, August 10, 'What Does the US-Pakistan Trade Deal Entail?', *Paradigm Shift*.
Varvelli, Arturo, 2025, 20 September, 'Saudi-Pakistan Mutual Defence Pact: Implications for India, IMEC, and US Influence in the Gulf', *ISPI*.
Vats, Rishap, 2025, 30 May, 'India's Past Lessons, Current New Normal, and Future Pakistan Policy', *South Asian Voices*.
Waseem, Syed Abdul Ahad, 2025, 25 September, 'Signed but Undefined: Contextualizing the Pak-Saudi Mutual Defense Agreement', *South Asian Voices*.
White, Edward, 2025, 15 January, 'World Bank approves 10-year $20bn Pakistan lending package', *Financial Times*.
White, Joshua T., 2025, 24 September, 'The signal and substance of the new Saudi-Pakistan defense pact', *Brookings*.
White House, 2025, 2 April, *Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits*.
White House, 2025, 20 January, *Reevaluating and Realigning United States Foreign Aid*.
White House, 2025, 4 March, *Remarks by President Trump in a Joint Address to Congress*.
Yousaf, Kamran, 2025, 1 March, 'FO confirms US funds for F-16 monitoring', *The Express Tribune*.
Yousafzai, Shahabullah, 2025, 15 July, 'Pakistan, Afghanistan trade hits $1b in first half of 2025', *The Express Tribune*.
Zaman, Sarah, 2025, 24 February, 'Pakistan, Azerbaijan sign agreements, MOUs on trade and energy', *Voice of America*.
Zeb, Rizwan, 2025, 18 September, 'Pakistan-Saudi Pact Reveals Growing Distrust of US-led Security Architecture', *Stimson Center*.

Iran 2024-2025: Strategic retrenchment amid regional setbacks and systemic pressures

Anahita Motazed Rad

London School of Economics and Political Science
a.motazed-rad@lse.ac.uk

The years 2024-2025 marked a pivotal phase for the Islamic Republic of Iran, defined by converging and overlapping internal fragility and external pressures. The death of President Ebrahim Raisi in May 2024 disrupted elite continuity, while low turnout in the subsequent presidential election underscored deepening legitimacy deficits. Meanwhile, persistent inflation, currency depreciation, and rising living costs intensified labour unrest and widened the state-society divide, culminating in renewed public protests in late 2025 as the sharp decline of the rial and escalating prices rendered large segments of the population unable to meet basic living costs. Regionally, Israeli military operations against Iran-aligned actors, the collapse of the Assad regime, stalled nuclear diplomacy, renewed UN sanctions, and the June 2025 direct confrontation with the United States significantly narrowed Tehran's strategic space. While pursuing its «Look East» strategy, Iran institutionalized partnerships with Russia and China and sought broader ties across Asia. Yet limited reciprocal support from both powers following the June war and sanctions reimposition exposed the constraints of eastward alignment. Rather than achieving strategic insulation, Iran's external posture increasingly reflected managed interdependence under conditions of asymmetry and sustained pressure.

Keywords – Labour protests; state-society rupture; look east strategy; regional strategic recalibration; nuclear negotiations.

1. *Introduction*

Following Hamas's 7 October 2023 attack on Israel (Al-Aqsa Storm), and throughout 2024-2025, Iran confronted a convergence of internal and external pressures that constrained both strategic choice and domestic governance. On the domestic front, social discontent persisted and found expression in recurrent protests and labour strikes, reflecting unresolved economic grievances and a widening state-society divide. These overlapping pressures compelled reassessments in regional policy, nuclear diplomacy, and economic management, while simultaneously deepening political polarization within the system.

A major internal shock occurred in May 2024 with the death of President Ebrahim Raisi and Foreign Minister Hossein Amir-Abdollahian in a helicopter crash, disrupting elite continuity at a moment of heightened

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

instability. The subsequent presidential election, which brought Masoud Pezeshkian to office, unfolded amid low voter turnout and widespread political disengagement, underscoring enduring deficits in the state legitimacy. The new administration inherited severe structural constraints and proved unable to implement effective measures to curb persistently high inflation and the rising cost of living, including escalating housing, asset, and food prices.

These domestic challenges were compounded by a tightening external environment. At the regional level, Israel's sustained military campaign between April and September 2024 against Hamas, Hezbollah, and Iran-aligned forces in Syria significantly weakened the operational capacity of the so-called «Axis of Resistance». High-profile assassinations, including the killing of senior Hezbollah leadership, together with extensive losses among allied militias, eroded Iran's deterrent posture and curtailed its regional reach. The subsequent collapse of the Assad regime in December 2024 further reduced Iran's strategic depth, sharply constraining its leverage across the Levant.

External pressure intensified throughout 2025 as nuclear negotiations remained stalled and diplomatic engagement narrowed. In September 2025, European parties reactivated the UN snapback mechanism, reinforcing Iran's economic and diplomatic isolation and further limiting its room for manoeuvre. These developments unfolded alongside growing expectations of renewed direct confrontation with Israel, particularly following the June 2025 Iran-Israel escalation, during which coordinated Israeli and U.S. strikes targeted Iranian military, missile, and nuclear-related infrastructure and eliminated senior security and military officials. Collectively, these dynamics left Iran facing a markedly constrained strategic environment, in which external pressure interacted with domestic fragility to produce an increasingly securitized policy posture, extending beyond foreign and security policy to intensified political control over public spaces and individual freedoms. By the final months of 2025, mounting economic strain – marked by high inflation, currency depreciation, and declining purchasing power – began to trigger renewed social unrest, further tightening the regime's reliance on coercive and securitized governance.

Against this backdrop, this article conceptualizes these developments through the lens of «strategic retrenchment». Rather than implying simple withdrawal or decline, strategic retrenchment is understood as a constrained and adaptive recalibration of Iranian state behaviour under intensifying systemic pressures. It captures a shift in policy orientation away from the long-standing logic of regional expansion associated with the «forward defence» doctrine, toward a more defensive posture centred on regime preservation, deterrence management, and the containment of accumulated vulnerabilities. This retrenchment is reflected in the weakening of Iran's regional network of partners, growing constraints on military power projec-

tion, the narrowing of diplomatic space amid stalled nuclear negotiations and renewed international pressure, and increasing economic fragility under sanctions and domestic strain. Accordingly, strategic retrenchment in this article refers not only to military or regional contraction, but also to the diplomatic, economic, and deterrence-related recalibration of Iranian state behaviour under cumulative systemic pressure. In this sense, it does not denote absolute retreat, but a reorientation shaped by the convergence of external setbacks and domestic fragility, which has progressively narrowed Iran's strategic options across 2024-2025.

2. *Domestic Policy*

During 2024-2025, domestic dynamics in Iran were marked by persistent social discontent and recurring labour mobilisation, reflecting deepening state-society tensions. Economic hardship, rising living costs, and continued political repression drove sustained protest activity among workers, retirees, and other social groups, while restrictions on personal freedoms further eroded regime legitimacy. Rather than pursuing structural reform, the state increasingly relied on coercive and securitised responses, contributing to the intensification and continuity of dissent during the period.

2.1. *Protest Dynamics and Social Contestation*

Despite extensive repression in previous years, social discontent remained evident during 2024-2025 through continuing acts of civil disobedience and resistance to compulsory hijab regulations. The authorities responded with intensified enforcement measures, including arrests, fines, and business closures, underscoring the persistence of tensions between state authority and society [Abbasi 2025]. According to reporting by Human Rights Activists News Agency [HRANA 2024], authorities reportedly took action against more than 30,000 women in 2024 for alleged non-compliance with compulsory hijab regulations. Of these, 644 were arrested – 618 under the so-called «Noor Project» – and at least ten detainees received a combined 57 months in prison alongside 14 million tomans in fines. In the same period, 365 businesses were reportedly sealed by the Public Places Supervision Department for alleged violations. These figures illustrate the breadth of enforcement efforts aimed at reasserting control amid continuing civil disobedience.

They also sit alongside intensifying elite-level tensions: while President Massoud Pezeshkian has publicly questioned compulsory veiling, telling NBC News that «human beings have a right to choose», Supreme Leader Ayatollah Ali Khamenei has dismissed the hijab debate as an «imposed challenge», insisting that «hijab is a law, and those who believe in Sharia and

those who do not must observe it», thereby framing compulsory veiling as a non-negotiable pillar of ideological order [The Guardian 2025, 7 December; Khodadadi 2025, 8 December]. Aligning with his position, conservative institutions have moved to reinforce enforcement mechanisms: 155 members of parliament signed a letter urging the implementation of the *Hijab and Chastity* regulation, and Speaker Mohammad Baqer Qalibaf announced that the December 14 law would be formally communicated to the government for execution [Khabar Online 2025, 2 December].

2.1.1. *Labour Protests 2024*

Alongside women's rights mobilizations, labour protests in Iran remained intense and widespread throughout 2024, echoing patterns of contention observed since 2018 and underscoring the state's persistent failure to address workers' grievances. According to Workers Rights Watch, between July and December 2024 mobilization spanned oil and gas, industrial production, road construction and heavy machinery, trucking, healthcare, education, and retail. Pensioners – constituting the largest and most consistently mobilized group in 2024 – played a central role, particularly those affiliated with major publicsector pension funds. Participation was not confined to bluecollar workers: nurses, teachers (including nonpermanent and retired educators), school service staff, and gold retailers featured prominently, underscoring the broad social base of labour discontent [Workers Right Watch 2024, December].

It was notable that these protests were geographically dispersed, extending far beyond Tehran to an average of at least 74 cities nationwide, and they employed diverse repertoires of contention.

Workers and retirees expressed demands through strikes, workplace stoppages, and public gatherings – often staged outside government institutions or management offices – while coordinated online campaigns and public statements amplified mobilization. The diversity of sectors involved, the nationwide spread of activity, and the combination of physical and digital tactics underscore the sustained and multifaceted character of labour activism during this period [Deutsche Welle 2024, 13 May].

Death of a 34-year-old nurse at Imam Hossein Hospital in Sepidan due to severe work-related stress has sparked widespread protests among nurses and became a powerful mobilizing symbol, accelerating nationwide protests. Nurses demanded improved pay, an end to mandatory overtime, adequate staffing, and implementation of the nursing services tariff law. Slogans such as: «A nurse will die but will not accept humiliation» and «Expenses in dollars, our wages in rials» captured the fusion of economic precarity and political frustration. While some actions emerged spontaneously, the newly formed « Coordinating Council of Nurses' Protest » played a key role in issuing calls for collective action [Qanbarpour 2024, 4 September]. The scale and coordination of these strikes disrupted medical services na-

tionwide, including suspension of nonemergency procedures, underscoring nurses' strategic position within Iran's broader labour unrest.

Therefore, structurally and in analytical terms, labour and tradeunion mobilization across 2024 increasingly took the form of coordinated campaigns that can be grouped into four overlapping categories. First were livelihoodoriented campaigns focused on wage erosion, inflation adjustment, and pension security, including nurses' mobilizations and retirees' demands for pension parity. Second were campaigns centred on workplace safety and job security, which gained momentum following fatal mining accidents – most notably the Tabas incident – and called for stricter safety standards and greater state accountability. A third set targeted the approval and implementation of stalled labour legislation, particularly efforts to eliminate subcontracting in government employment. Finally, defensive campaigns sought to protect labour representatives and associations from repression, alongside antidiscrimination initiatives by female workers especially in the oil and petrochemical sectors challenging genderbased exclusion [Tehran Times 2017, 6 November]. Many of these campaigns combined street-level protest with digitally mediated tools, reflecting labour activists' strategic adaptation to legal and political constraints [Workers Right Watch 2024, December].

2.1.2. *Labour Protests 2025*

Against the backdrop of worsening inflation, sanctions pressure, and declining living standards, labour unrest intensified across multiple sectors in 2025. Economic disruption following the June conflict, recurrent blackouts, rising food and fuel prices, and deteriorating public services fuelled growing anger over state mismanagement and corruption. According to Workers Rights Watch, nurses, farmers, bakers, industrial workers, truckers, and drivers staged coordinated strikes across more than 155 cities during the first half of 2025 in response to rising insurance premiums, fuel costs, low freight rates, and deepening energy and food crises. These protests increasingly coalesced into more organised nationwide strikes (*E'tesabat Sarasari*), signalling a shift from episodic unrest toward sustained economic disruption. Complementing these findings, an analysis of 455 labour protests recorded during this period showed that demonstrations spread across at least 83 cities amid accelerating inflation and currency depreciation, which intensified pressure on labour groups [Rasanh 2026, January; Workers' Right Watch 2025, June].

Although labour unrest spanned multiple sectors, retirees, teachers, farmers in Isfahan, and bakers emerged as particularly visible focal points of collective mobilization around shared socio-economic grievances. Their demands centred on delayed wages, salary increases aligned with living costs, pension equalization, improved healthcare and social services, and resistance to layoffs and exploitative contracting practices. Among these ac-

tions, the nationwide truckers' strike in May 2025 – involving approximately 365,000 drivers – became one of the most prominent labour mobilizations, receiving widespread domestic support and international attention. The International Transport Workers' Federation (ITF) condemned judicial threats against the drivers and urged Iranian authorities to address their economic demands. [Workers' Right Watch 2025, June] The strike also inspired further labour actions, including renewed protests by bakers and teachers. As Hadi Ghaemi of the Centre for Human Rights in Iran observed, the mobilization resonated widely because truck drivers were seen not only as defending their own rights but also exposing broader systemic injustices affecting millions [Centre for Human Rights in Iran 2025, 4 June].

2.1.3. *Occupational Safety and Workplace Fatalities (2024-2025)*

Among the various major issues confronting Iranian labour, unsafe working conditions – caused by systematic non-compliance with safety regulations and weak state oversight – stand out as one of the most serious and worsening grievances. Official reporting and human-rights monitors document a sustained rise in workplace fatalities: more than 125 workers were killed in work-related accidents between late December 2023 and June 2024, and over 2,100 deaths were recorded during the 1402 Persian year (March 2023-March 2024), predominantly among construction workers, miners, and industrial labourers – many employed informally. A stark example occurred in June 2024, when a landslide at the Shazand Arak sand and gravel mine killed four informal workers who lacked accident insurance, highlighting the erosion of safety standards in privatized extractive sectors.

These patterns persisted into 2025 and helped catalyze labour mobilization. The trend of structural insecurity was further underscored in 2025 by the Shahid Rajaee Port explosion in Bandar Abbas (April), caused by improperly registered hazardous materials and resulting in dozens of fatalities and widespread disruption to trade infrastructure, and by the Mehman-Douyeh mine suffocation incident near Damghan, where seven miners died from gas asphyxiation. The port blast was particularly consequential because Shahid Rajaee is Iran's largest commercial gateway; the incident exposed regulatory lapses in hazardous-materials handling, disrupted supply chains and local livelihoods, and made safety failures highly visible – thereby intensifying public outrage and lending symbolic weight to the truckers' strike that originated in Bandar Abbas. Taken together, these cases indicate that workplace insecurity in Iran is not episodic but structural, reflecting enduring deficiencies in labour protection, regulatory oversight, and state accountability – factors that feed into the broader cycle of protest and labour contention. These structural failures and highly visible workplace disasters not only fuelled labour mobilization but also shaped the state's subsequent responses, revealing a pattern of containment rather than substantive reform [Workers' Right Watch 2025, 2024].

2.1.4. *Government Responses to Labour Mobilization*

Even the most authoritarian regimes periodically project a degree of socio-economic responsiveness to sustain minimal legitimacy. In Iran, however, this logic has been only weakly reflected in state responses to long-standing labour demands. While authorities occasionally offered selective concessions – sometimes through legislative or administrative measures – these were accompanied by intensified repression of labour activists, including surveillance, crackdowns, arbitrary detentions, and harsh judicial sentences.

Beyond overt coercion, the government's response to labour mobilization in 2024 and 2025, particularly until June 2025, followed two additional patterns. First, authorities often adopted a passive stance, refraining from forcefully dispersing protests or breaking strikes. This inaction suggests a tacit acknowledgment of the protests' social legitimacy, yet it simultaneously resulted in the continued neglect of workers' demands, even when legally grounded or previously promised. Second, although most mobilizations yielded few tangible gains, a limited number secured partial and tightly circumscribed concessions.

For example, during the truck drivers' protests, Parliament publicly discussed grievances related to fuel quotas, insurance premiums, tire costs, and transport rates, leading in June 2025 to modest policy adjustments, including moderated insurance fees and revised fuel allocations [Pakzad 2025, 24 May]. Similarly, sustained mobilization by municipal workers contributed to the parliamentary approval of special income bonuses (*fouqol'adeh khas*) in April 2025, marginally narrowing wage disparities within the public sector. These cases illustrate a broader state strategy of containment rather than resolution, in which selective concessions functioned to defuse pressure without addressing the structural roots of labour discontent [Workers' Right Watch 2025, June].

2.2. *Internal Fragmentation and Instabilities*

During 2024-2025, Iran's political system faced intensifying internal fragmentation. Elite rivalries sharpened across executive, parliamentary, and unelected institutions, revealing growing tensions within the governing coalition. These divisions unfolded alongside mounting economic strain and sustained social mobilization, deepening pressures on regime cohesion. Rather than presenting a unified front, the political establishment displayed signs of strategic incoherence and institutional competition. At the same time, the regime's long-standing revolutionary legitimacy came under heightened scrutiny. Corruption scandals, governance failures, and the persistence of political repression eroded public trust, while labour, women, and ethnic rights movements continued to articulate demands that challenged not only policy performance but the foundations of the political or-

der itself. Together, these dynamics exposed structural vulnerabilities within the state and amplified the risk of systemic instability.

These pressures became especially visible at the outset of 2024, when the regime's efforts to mobilize mass participation for the 11 February anniversary of the «1979 Islamic Revolution» failed to generate the expected public turnout. The muted response to what has long been a core ritual of regime legitimacy signalled a widening disconnect (gap) between state and society and marked an early indicator of the political and symbolic challenges that would continue to confront the Islamic Republic throughout the year. This disconnect was further laid bare when, despite the Supreme Leader's early-2024 campaign urging participation in the parliamentary elections as a means of confronting «the enemies» [Reuters 2024, 3 July], the March vote was met with widespread boycotts – official turnout reached only around 30% nationwide and just 15% in Tehran, while independent estimates suggested participation as low as 8.2% – underscoring the depth of public disillusionment with electoral politics and the regime's mechanisms of consent [Mazaheri 2024, 26 March; Hafezi 2024, 4 March].

The sudden death of President Ebrahim Raisi and Foreign Minister Hossein Amir-Abdollahian in a helicopter crash on 19 May 2024 further destabilized Iran's already fragile domestic political landscape [Hafezi and Ehab 2024, 21 May]. Occurring shortly after the March parliamentary elections – marked by one of the lowest voter-turnout rates in the Islamic Republic's history – the incident forced the regime to organize an early presidential election within the constitutionally mandated 50-day window. The 28 June presidential election, culminating in the contested victory of Masoud Pezeshkian, unfolded amid severe economic strain, intensifying regional and international pressures (which will be discussed later in the foreign policy section), and a profound crisis of public legitimacy. Voter participation remained historically low: the first round was boycotted by at least 60% of eligible voters – the lowest turnout since 1979 – while the second round on 5 July saw only a modest increase to 49.6% by the regime's own figures, still reflecting widespread disengagement. Supreme Leader Ali Khamenei's subsequent attribution of low turnout to an externally orchestrated campaign of «despair» underscored the regime's growing reliance on externalization narratives to deflect responsibility for deepening governance failures [Foundation for Defense of Democracies 2024, 6 July].

Raisi's death was politically consequential not merely because he was the sitting president, but because he was one of the Islamic Republic's most strategically groomed figures. His rise to the presidency in 2021 was widely realized as a managed process: the electoral field was effectively engineered to ensure his near-uncontested victory, reflecting elite consensus around his role as a loyal custodian of the regime's revolutionary ideology. Unlike his predecessor, the moderate Hassan Rouhani, Raisi demonstrated an ideological and political alignment with Supreme Leader Ali Khamenei, reinforcing widespread perceptions that he was being positioned as a potential

successor to the 85-year-old leader [Glinski 2024, 30 May]. During his tenure, power became increasingly centralized across both domestic and foreign policy domains. Raisi presided over an intensified authoritarian turn, most notably through the brutal suppression of the youth-led «Woman, Life, Freedom» uprising, triggered by repressive social controls such as compulsory hijab laws [Human Rights Watch 2023, 15 September]. The state's reliance on lethal force, mass arrests, and sustained surveillance continued well beyond the peak of the protests, further eroding societal trust. Against this backdrop of economic deterioration, political repression, and legitimacy decline, Raisi's sudden death represented fresh uncertainty into a political system already under acute strain.

3. *Economic Crisis and Governance Failure*

Throughout 2024-2025, Iran's economy deteriorated under the combined pressures of structural inefficiencies, sustained sanctions, and escalating regional confrontation. Despite political transition following President Ebrahim Raisi's death, underlying fiscal and monetary distortions persisted, contributing to inflation, currency depreciation, and declining industrial output.

3.1. *Structural Mismanagement and Internal Economic Failures*

Iran's contemporary economic crisis reflects long-standing structural dysfunction, later intensified by external sanctions pressures. The 2018 United States withdrawal from the Joint Comprehensive Plan of Action marked an important inflection point by reimposing sanctions and exacerbating currency instability, but the underlying vulnerabilities predated this shift. Decades of systemic corruption, chronic fiscal mismanagement, persistent budget deficits financed through Central Bank support, and the dominance of state-linked monopolies – including entities affiliated with the Islamic Revolutionary Guard Corps – had already weakened productive capacity and constrained domestic growth [Sahit 2025, 9 May].

By 2024, these structural weaknesses were fully manifest in macroeconomic performance. International Monetary Fund [2024, October] and World Bank [World Bank Group 2024, 3 April] estimates placed annual inflation at approximately 32.5-35.8%, with GDP growth projected at around 3.7%. Domestic sources reported higher inflation exceeding 37% and weaker growth closer to 3%, reflecting tighter fiscal conditions and reduced policy flexibility [Statista 2026, 21 January; Donyaye-Eghtesad 2025, 22 October]. Across international and domestic sources, Iran's macroeconomic performance in 2024 reflected persistently weak growth, underscoring ongoing monetary and fiscal instability and indicating a deeper structural deterioration rather than a cyclical slowdown.

Economic conditions deteriorated further in 2025 amid escalating regional tensions, including the June confrontation with Israel, and the reactivation of pre-2015 United Nations «snapback» sanctions in late September. In its October 2025 assessment, the World Bank projected a contraction of -1.7% in 2025 and -2.8% in 2026, driven by declining export revenues, weakening non-oil activity, and the disruptive effects of intensifying geopolitical tensions and risks [World Bank Group 2025a, October]. These shocks accelerated capital flight, reignited inflation expectations, and precipitated a steep decline in domestic financial markets: the Tehran Stock Exchange fell by approximately 26% from its May 2025 peak, while the Iranian rial reached historic lows by December, having lost nearly half its value between mid-2024 and early 2025 [International Crisis Group, 2025, October].

Inflationary pressures intensified throughout 2025, particularly in food and essential goods markets. Food inflation rose from earlier stabilisation in 2024 to 58% by September 2025 and approximately 72% by November. Prices of basic commodities increased sharply, including legumes (over 250%), rice (over 150%), and meat (25-30%), indicating severe volatility in household consumption costs [Donyaye-Eghtesad 2025, 22 October]. Independent estimates suggest that overall inflation likely exceeded official figures, approaching or surpassing 40% by late 2025.

These dynamics produced a sharp deterioration in living standards and a rapid expansion of poverty. By 2024, independent and domestic estimates indicated that approximately 36% of Iran's population – nearly 30 million people – were living below the poverty line, a figure confirmed by Iran's Parliament Research Center and domestic economic reporting and representing the highest level recorded in more than a decade [Khabar Online 2025, 29 November]. Official acknowledgements were broadly consistent with these findings: in September 2024, former welfare minister *Ahmad Meydari* conceded that at least 30% of the population (approximately 25 million people) were living in poverty, while around 6% (roughly five million individuals) were in extreme poverty [Donyaye-Eghtesad 2025, 22 October; Khajehpour 2024, 31 October].

Beyond official and semi-official estimates, alternative projections suggested a significantly deeper crisis. Government-affiliated economists, including *Hossein Raghfar,* and international-facing domestic reporting indicated that up to half of the population – over 40 million people – may already be living below the poverty line [Khabar Online, 2025, 10 November]. The government's upward revision of the official poverty line in October 2025 – by nearly 70% within a single year – further underscored the extent of purchasing-power compression and implicitly acknowledged the scale of income erosion [World Bank 2025b, October].[1]

1. For a more detailed analysis of the Iranian economy, see World Bank Group [2024, Spring].

By late 2025, labour mobilisation intensified, with coordinated workplace action and bazaar strikes following sharp currency depreciation. The participation of the merchant class, given its historical significance, was particularly notable [Adib-Moghaddam 2018, 3 July; Jonoobi 2016].

3.2. *Sanctions, Geopolitics, and External Constraints*

These internally generated vulnerabilities did not operate in isolation but were significantly intensified by a tightening external environment shaped by sanctions, geopolitical escalation, and growing international economic isolation. Since 2018, Iran has confronted increasingly severe external economic pressures, most notably the expansion of international sanctions that curtailed foreign investment, deepened banking and financial isolation, and sharply restricted access to global markets. Beyond formal sanctions, the Islamic Republic faced persistent constraints in terms of limited investable resources, weak institutional transparency, and the absence of a credible and internationally integrated banking system, all of which undermined its attractiveness to foreign investors and constrained access to external finance. In response to these constraints, Tehran pursued a strategic eastward reorientation – commonly framed as the «Look East» policy – seeking long-term cooperation arrangements with China and Russia [Snegovaya, Fenton and Dolbaia 2025, 4 September].

Slowing GDP growth to 3.7% in 2024/25 (the Iranian calendar year) marked the weakest performance in five years and reflected a sharp deceleration in the hydrocarbon sector. According to the World Bank, oil GDP growth fell to 4.6% from 18.8% a year earlier, underscoring the combined effects of weaker demand, sanctions-related constraints, and chronic underinvestment [World Bank Group 2025b, October]. Given that hydrocarbons remain the state's principal source of fiscal revenue and foreign exchange, this slowdown exposed the structural fragility of Iran's growth model.

Within this context of oil-sector vulnerability, Iran-China economic relations deepened under the 25-year comprehensive strategic partnership [Salmiati and Kumar 2024]. As sanctions tightened and export channels narrowed, China absorbed the overwhelming share of Iranian crude – typically at discounted prices – while bilateral non-oil trade exceeded $26 billion in early 2025 [Tehran Times 2025, 8 February]. Although expanded sales to China partially stabilized export volumes in 2023-2024, this reliance did not produce durable fiscal consolidation; instead, it entrenched asymmetric dependence and tied Iran's macroeconomic stability to a single external buyer. By 2025, China reportedly absorbed over 90% of Iranian crude exports (approximately 1.3-1.4 million barrels per day), while bilateral trade remained structurally imbalanced, with Chinese exports significantly exceeding Iranian non-oil exports [Reuters 2026, 13 January]. Despite the headline 25-year cooperation framework, major Chinese state-owned enterprises continued to exercise caution under U.S. secondary sanctions,

limiting large-scale investment and often resorting to discounted pricing, barter mechanisms, or Renminbi settlements. As US «maximum pressure» intensified, Beijing calibrated its engagement to safeguard its broader regional and global interests – particularly vis-à-vis Washington – thereby constraining the structural economic gains available to Iran.

Alongside expanded energy cooperation, Iran sought deeper integration into China's Belt and Road Initiative, including the establishment of the Qom-Yiwu-Europe rail corridor in 2024 and a 2025-2027 connectivity roadmap. Tehran's accession to BRICS in 2024 and its enhanced role within the Shanghai Cooperation Organization further signalled a strategic eastward pivot. Yet these developments did not fundamentally alter the asymmetrical structure of the relationship [Mazaheri 2025, 4 July]. Sanctions, limited capital inflows, and continued reliance on discounted oil exports constrained tangible economic gains. The partnership faced practical tests during the June 2025 Israel-Iran crisis, when Beijing offered diplomatic backing but avoided security commitments that might escalate tensions with the United States. President Masoud Pezeshkian's September 2025 visit to Beijing aimed to consolidate cooperation, but China maintained a pragmatic, interest-driven approach rather than entering into a formal defence arrangement.

While China functions as Iran's primary economic lifeline amid tightening Western sanctions, Russia has concurrently emerged as a strategic partner, providing targeted investment and infrastructural support. Leveraging Tehran's eastward reorientation, Moscow has sought to deepen its role across key sectors – including energy, mining, industry, and transport – complementing Iran's dependence on China while navigating the constraints of sanctions and limited access to global financial markets [Azizi 2025; Belov and Ranjbar 2024].

Since 2024, Russia has consolidated its position as Iran's most significant foreign investor, with projected commitments of up to $8 billion for 2024-2025, of which approximately $5 billion had reportedly been formalized by mid-2025. This represented a sharp increase from the estimated $2.76 billion invested during 2022-2023, which nonetheless accounted for nearly two-thirds of Iran's total foreign direct investment in that period [TASS 2025, Eghtesadonline 2025, 5 June]. Crucially, this quantitative expansion of economic cooperation did not occur in isolation but was institutionalized politically in January 2025, when President Masoud Pezeshkian and President Vladimir Putin signed a Comprehensive Strategic Partnership Agreement in Moscow [Rasanah 2025, 25 February]. This accord translated earlier economic coordination into a formal long-term framework aimed explicitly at sustaining bilateral integration under conditions of continued Western sanctions. Subsequent engagement at the 19th Iran-Russia Joint Economic Commission later in 2025 further consolidated this trajectory, with senior officials concluding additional agreements in energy, transit

infrastructure, and trade facilitation, thereby operationalising the institutional commitments established earlier in the year. [Joint Economic Cooperation Commission 2026, 16 February; Tehran Times2026, 16 February].

Energy and infrastructure cooperation have been central to this rapprochement. In early 2025, Tehran and Moscow agreed on the route of a major gas pipeline, initially delivering 2 billion cubic metres (bcm) per year, with long-term potential up to 55 bcm annually; concurrently, a Russian consortium led by Zarubezhneft and Lukoil signed a $4 billion agreement to develop seven southern Iranian oilfields, collectively aiming to increase output by an estimated 200,000 barrels per day [Bramston & Associates 2025, 1 May]. Transit infrastructure has also expanded under the International North-South Transport Corridor (INSTC): a 2025 transit roadmap for the Rasht-Astara railway was adopted, and cargo throughput along the corridor grew by 19% in 2024, reaching 26.9 million tons [Hussain, Malik and Mahmood 2024; Avdaliani 2025, 26 August]. Complementing these developments, a fullscale Free Trade Agreement (FTA) with the Eurasian Economic Union (EAEU) entered into force on 15 May 2025, significantly reducing tariffs on over 90% of goods and creating conditions for expanded preferential trade with Russia and other EAEU members. This agreement, alongside enhanced financial linkages and reciprocal payment mechanisms, is expected to support mutual trade turnover exceeding $10 billion annually [Eurasian Economic Commission, 2025, 15 May; International Information Group 2025, 17 March].

4. *Iran's Foreign Policy*

Iran's foreign policy was significantly reshaped in 2024-2025 by a combination of regional, diplomatic, and domestic developments. The weakening of Tehran's regional network – marked by setbacks to key allied actors and the collapse of the Assad government in late 2024 – reduced its strategic depth and altered its deterrence environment. At the same time, direct confrontation with Israel, renewed nuclear escalation, and the reimposition of UN sanctions intensified external pressure. While Iran continued to pursue eastward alignment with Russia and China and maintained cautious engagement with Gulf states, its foreign policy increasingly reflected constraint and adjustment rather than expansion.

4.1. *Collapse and Recalibration of the 'Axis of Resistance'*

By 2024, the shifting strategic landscape of the Middle East had begun to exert significant pressure on Iran's regional posture, forcing Tehran toward increasingly consequential choices in 2025. Nowhere was this more apparent than in the weakening of the «Axis of Resistance» – a network designed

to project deterrence through allied non-state actors while keeping conflict away from Iran's borders. Built on strategic depth, delegated deterrence, and hybrid warfare capabilities in Syria and Lebanon, this model had long underpinned Iran's regional strategy, but between 2023 and 2025 it proved increasingly unsustainable both politically and militarily.

The immediate catalyst for this shift was the 7 October 2023 Hamas attack on Israel, which triggered a cycle of escalation that Tehran was unable to control. Israel's subsequent military campaign in Gaza not only led to the effective decimation of Hamas's military capabilities but also exposed the limitations of Iran's regional alliance. Despite expectations of multi-front escalation, key partners – most notably Hezbollah – remained constrained, engaging only in calibrated exchanges. This revealed a growing gap between Iran's strategic ambitions and the willingness or capacity of its allies to absorb escalating costs [Mansour and Al-Shakeri 2025, 6 March].

Israel further intensified pressure through a series of strikes targeting Iranian and allied assets across the region. Beginning with the April 2024 attack on Iran's consulate in Damascus and expanding through 2025, these operations focused on degrading leadership structures and strategic infrastructure across Gaza, Lebanon, and Syria [Carl 2024, 10 December]. The killing of senior Hezbollah figures, including Hassan Nasrallah, and the destruction of key military assets significantly weakened Iran's reliance on proxy forces. This position was further undermined by the collapse of the Assad regime in late 2024, which eliminated a key state ally and disrupted Iran's regional depth and logistical corridors [Hamdach 2025, 7 May; ITIC 2024, 12 December].

4.2. *Direct Confrontation, Nuclear Escalation, and Sanctions*

The transition from managed indirect conflict to direct confrontation in 2024-2025 fundamentally reshaped the strategic role of Iran's nuclear programme. As Tehran's regional deterrence architecture weakened, the nuclear file shifted from a calibrated bargaining instrument to a central component of deterrence, regime security, and strategic hedging. In this context, the nuclear programme was no longer merely a source of external pressure or diplomatic contention, but a compensatory strategic asset within Iran's evolving security framework. For over a decade, Tehran had sought to compartmentalize the nuclear issue from regional escalation, relying on proxy deterrence to maintain strategic distance; by 2025, this separation had largely collapsed.

Following the re-imposition of «maximum pressure» in early 2025, Iran's nuclear diplomacy entered a volatile phase shaped by coercive deadlines and limited engagement. In March 2025, U.S. President Donald Trump issued a 60-day deadline for a new agreement while intensifying sanctions and signalling escalation risks tied to Iran's regional policies. Subsequent Omani-mediated talks between April and May produced a tempo-

rary diplomatic opening but failed to resolve core disputes, particularly over uranium enrichment. Iran's insistence on maintaining enrichment capacity, in contrast to U.S. demands for its elimination, underscored the growing strategic value Tehran attached to the programme. At the same time, Israeli's signalling of potential military action further constrained diplomatic space and heightened escalation risks [Lob 2025, 5 November].

This strategic shift was reflected in a January 2025 International Atomic Energy Agency report warning of a «very worrisome» acceleration in enrichment activity, highlighting Iran's increasing reliance on its nuclear programme as a deterrent amid mounting military vulnerability. Diplomatic stalemate ultimately culminated in June 2025, when Israel, joined by the United States, launched direct strikes against Iranian targets. This marked the first large-scale direct interstate confrontation between the two sides, breaking the long-standing pattern of indirect conflict. Rather than restoring deterrence, the confrontation reinforced the securitization of the nuclear file and intensified internal debates within Iran regarding nuclear escalation as a response to strategic exposure [Gramer, Schwartz, and Bazail-Eimil 2025, 11 April].

In the aftermath of the conflict, the limited space for diplomacy narrowed further. In August 2025, the E3 (France, Germany, and the United Kingdom) triggered the UN «snapback» mechanism, leading to the restoration of pre-2015 sanctions by September. This move reflected growing concern that Iran's nuclear posture had shifted beyond tactical bargaining toward longer-term strategic hedging. Tehran, supported diplomatically by Russia and China, rejected the sanctions, underscoring both its increasing isolation and the limits of alternative alignments in compensating for lost engagement with the West.

The crisis deepened in November 2025 when the IAEA Board of Governors called on Iran to clarify outstanding safeguards issues and restore inspections, prompting a sharp rejection from Tehran and further entrenching positions on all sides [International Crisis Group 2025, December].

4.3. *Strategic Retrenchment and the «Look East» Turn*

Building on its long-standing «Look East» doctrine, Iran's relations with Russia and China evolved from symbolic alignment to institutional consolidation centred on economic integration, energy security, and coordinated resistance to Western pressure. At the same time, the depth and durability of these bilateral partnerships were put to a renewed test following Iran's regional setbacks in 2024-2025, prompting a recalibration in the trajectory of the relationship. Tehran's accession to BRICS in 2024 and its active participation in the Shanghai Cooperation Organization (SCO) formalized its integration into China-centred multilateral frameworks and enhanced its diplomatic visibility while offering only limited economic insulation under sustained sanctions. The 25-Year Comprehensive Cooperation Plan contin-

ued to serve as the principal bilateral framework, structuring cooperation in energy, infrastructure, and trade. Yet the partnership increasingly reflected pragmatic coordination as China remains Iran's primary economic outlet under sanctions, while Tehran occupies a secondary but functional role within Beijing's broader strategy of regional stability and energy diversification.

The June 2025 Israel-Iran war subjected this eastward strategy to a critical test. Although Beijing provided diplomatic backing, emphasized Iranian sovereignty, and opposed escalation, it refrained from offering security guarantees or material military support that could risk confrontation with the United States or Israel. This calibrated response still exposed long structural asymmetry: Iran relies heavily on China for economic and diplomatic cover, whereas China approaches Iran primarily through the lens of stability management and great-power competition. Even in the security domain, cooperation has remained carefully bounded. Participation in joint naval drills such as the Maritime Security Belt 2025 exercise in the Gulf of Oman signalled operational coordination, but these activities were confined to maritime security scenarios rather than comprehensive military integration [The Arab Weekly 2025, 1 September]. Post-war defence assessments indicate no confirmed major Chinese arms transfers to Tehran, underscoring Beijing's continued caution [Kasapoğlu 2025, 9 September]. Although multilateral inclusion enhanced Tehran's diplomatic visibility and opened alternative financial channels, it proved insufficient to offset the structural constraints imposed by sanctions, conflict exposure, and Beijing's broader geopolitical risk calculations. Within this context, Iran's expectations of deeper strategic reciprocity remained limited by China's regional balancing strategy and sensitivity to secondary sanctions. Yet despite evident disappointment, Tehran continues to deepen engagement and preserve the partnership even in the absence of robust reciprocal support, recognizing that the «Look East» turn has evolved less into bloc consolidation.

In the case of Russia, bilateral relations in 2024-2025 moved beyond predominantly economic and energy cooperation toward a more politically institutionalized partnership marked by strategic coordination. The 17 January 2025 signing of a 20-year Comprehensive Strategic Partnership Treaty by President Masoud Pezeshkian and President Vladimir Putin formalized cooperation across defence, energy, trade, and multilateral diplomacy, superseding earlier agreements from 1993 and 2001 [Siddiqa 2025, 4 March]. Although the treaty signalled deeper alignment, it deliberately avoided binding mutual-defence commitments, reflecting both sides' preference for strategic flexibility in managing third-party relations [The Sentinel 2025, 9 June].

Security coordination also intensified, albeit selectively. Iran's provision of military assistance to Moscow during the Ukraine war – particularly in unmanned aerial systems – was accompanied by expanded defence-industrial cooperation, joint naval drills, cyber engagement, and satellite coordination. Yet, as with China, expectations of reciprocal strategic backing

proved constrained. Following the June 2025 U.S.-Israeli strikes on Iranian nuclear facilities, Russia limited its response to diplomatic and political support, condemning the attacks in multilateral forums, raising the issue at the UN Security Council, and reaffirming the January 2025 partnership treaty. The absence of material or military backing exposed the asymmetry underlying the relationship and contributed to growing disappointment in Tehran, if not a gradual erosion of trust. This has not, however, produced rupture, but it has contributed to a more cautious and interest-driven reassessment of expectations [Azizi 2025; Rasanah 2025].

Overall, the warming of Iran's relations with China has unfolded against a backdrop of growing disappointment with Moscow. While there is no indication that Tehran is abandoning Russia, it has clearly sought to diversify its strategic options – particularly in advanced weapons procurement, where Russian delivery has fallen short of expectations [Nadimi 2025, 30 December]. The performance of Iran's air defence systems during the war with Israel exposed operational vulnerabilities, intensifying efforts to acquire more sophisticated platforms such as the S-400 and Su-35 from Russia or comparable systems from China. Competition over these systems may ultimately serve as a practical measure of each partner's willingness to translate political alignment into material support [Davidi 2025, 12 November].

Within this context, Tehran appears intent on reshaping its external posture – not as a subordinate actor within an anti-Western bloc, but as a regional power cultivating differentiated partnerships with China, India, and Southeast Asian states. Looking ahead, Iran's relations with both Russia and China are likely to operate along a spectrum between transactional cooperation and structured coordination – advancing where interests converge while preserving flexibility and strategic distance. The 2024-2025 period therefore underscores a central paradox of the «Look East» turn: sanctions and geopolitical isolation have accelerated partnership consolidation, but they have not eliminated asymmetry, limited reciprocity, or strategic caution. Rather than bloc formation, what has emerged is a pattern of calibrated interdependence shaped by mutual convenience and constrained trust.

5. *Conclusion*

During 2024-2025, the Islamic Republic of Iran encountered an acute convergence of domestic fragility and external constraint that exposed the cumulative limits of its governance and foreign policy model. These years marked a period in which long-standing structural weaknesses – economic mismanagement, institutional fragmentation, and declining state capacity – interacted with intensifying regional instability and a deteriorating international environment, placing the regime under sustained multidimensional strain.

Domestically, persistent economic hardship, soaring inflation, rising unemployment, and declining living standards pushed poverty to alarming levels. Social discontent, initially dispersed and sporadic, became a consistent feature of everyday life, with protests driven by demands for higher wages and basic economic relief. The state's response remained predominantly coercive, relying on surveillance, arrests, dismissals, and legal sanctions rather than substantive policy adjustment. The political transition following President Raisi's death in May 2024 and the subsequent formation of a reformist-led administration under Pezeshkian did not generate meaningful institutional recalibration. Instead, intensified parliamentary consolidation by conservative factions further entrenched intra-elite fragmentation, limiting executive capacity and reinforcing policy inertia.

Externally, Iran's regional environment deteriorated significantly. The weakening of its traditional network of regional partners, alongside the collapse of key strategic footholds and sustained conflict dynamics in Gaza and Lebanon, constrained the operational effectiveness of the «Axis of Resistance» framework. At the same time, the transition from indirect confrontation with Israel to episodes of direct military escalation underscored a shift in the regional security architecture that reduced Iran's strategic ambiguity and increased its exposure to direct deterrence pressures. In response, Tehran intensified efforts to consolidate its «Look East» orientation through closer engagement with China and Russia. However, these partnerships remained largely asymmetrical and insufficiently institutionalized to offset sanctions pressures or provide substantive security guarantees, thereby limiting their capacity to function as a durable strategic alternative.

Taken together, these dynamics indicate that Iran's conduct during 2024-2025 was increasingly shaped by constraint-driven adaptation rather than expansionary strategy. Across regional, diplomatic, economic, and domestic domains, policy behaviour reflected a progressive narrowing of strategic options under cumulative systemic pressure, rather than the pursuit of a coherent agenda of influence maximization. Decision-making increasingly prioritized regime preservation, deterrence maintenance, and the mitigation of structural vulnerability, signalling a shift towards adaptive crisis management rather than long-term strategic redesign. Overall, Iran's trajectory in this period reflects multidimensional strategic retrenchment driven by the mutual reinforcement of regional setbacks, economic strain, and domestic instability, resulting in a gradual erosion of policy autonomy and reduced strategic flexibility.

Bibliography

Abbasi, E., 2025, 'Political challenges and crisis management in the Islamic Republic of Iran: a comprehensive analysis', *Discover global society*, 3 (93). https://doi.org/10.1007/s44282-025-00247-9 .

Adib-Moghaddam, Arshin, 2018, 3 July, 'Iran's Grand Bazaar: once a hotbed of revolution, now a conservative power base', *The Conversation*. https://theconversation.com/irans-grand-bazaar-once-a-hotbed-of-revolution-now-a-conservative-power-base-99155

The Arab Weekly, 2025, 1 September, 'Iran looks to China to rebuild missile capabilities after conflict with Israel'. https://www.thearabweekly.com/iran-looks-china-rebuild-missile-capabilities-after-conflict-israel

Avdaliani, Emil, 2025, 26 August, 'The International North-South Transport Corridor', *Gulf Research Center,* Gulf Research Center | GRC.

Azizi, Hamidreza 2025, 'Strategic Transactionalism: The Iran-Russia Partnership'. https://mecouncil.org/publication/strategic-transactionalism-the-iran-russia-partnership/

Bramston & Associates, 2025, 1 May, 'Russia and Iran Forge Strategic Energy and Trade Alliance Amid Western Sanctions'. Russia and Iran Forge Strategic Energy and Trade Alliance Amid Western Sanctions | Bramston & Associates

Belov V. I., and D. M. Ranjbar , 2024, 'Iran and Russia on the Path to Building a Comprehensive, Principled Partnership', *Information and Innovations,* 19(4), pp. 29-40. https://doaj.org/article/e23e326ba0a44807ad8e9fc417ffaf22

Carl, Nicholas, 2024, 10 December, 'The Reshaping of Iran's Axis of Resistance', *Institute for the Study of War (ISW).* https://understandingwar.org/research/middle-east/the-reshaping-of-irans-axis-of-resistance/

Center for Human Rights in Iran (CHRI*),* 2025, 4 June, 'Iran's truck drivers' strike sweeps 163 cities, dozens arrested'. https://iranhumanrights.org/2025/06/irans-truck-drivers-strike-sweeps-163-cities-dozens-arrested/

Davidi, Avi, 2025, 12 November, 'Iranian Disappointment with Russia and the Strategic Turn to China', *The Jerusalem Institute for Strategy and Security (JISS).* https://jiss.org.il/en/davidi-iranian-disappointment-with-russia-and-the-strategic-turn-to-china/

Deutsche Welle (DW Persian), 2024, 13 May, 'Three Iranian nurses die in their sleep within a month due to overwork', *https://www.dw.com/fa-irAF/a-69058359*

Donyaye-Eghtesad, 2025, 22 October, 'Behind the New Poverty Rate', https://donya-e-eqtesad.com/

Eurasian Economic Commission, 2025, 15 May, EAEU & Iran: full-fledged free trade agreement entered into force, *Eurasian Economic Commission Trade Bloc.* https://eec.eaeunion.org/en/news/eaes-iran-vstupilo-v-silu-polnoformatnoe-soglashenie-o-svobodnoy-torgovle-/

Eghtesadonline (اقتصاد آنلاین), 2025, 5 June, 'Russia became Iran's largest foreign investor in 2024'. Russia became Iran's largest foreign investor in 2024

Foundation for Defense of Democracies, 2024, 6 July, 'Mass Boycott by Voters Persists as Masoud Pezeshkian Wins Iran Presidential Election'. Mass Boycott by Voters Persists as Masoud Pezeshkian Wins Iran Presidential Election

Glinski, Stefanie, 2024, 30 May, 'The Mood from Tehran: As Iran gears up for elections to replace Raisi, the country is divided'. https://foreignpolicy.com/2024/05/30/iran-raisi-death-funeral-elections-tehran/

The Guardian, 2025, 7 December, 'Two marathon organisers arrested in Iran over women running without hijabs'. https://www.theguardian.com/world/2025/dec/07/marathon-organisers-arrested-iran-women-running-without-hijabs-kish-island

Gramer, Robbie, Felicia Schwartz, and Eric Bazail-Eimil, 2025, 11 April, 'The Clock Is Ticking for Iran', National Security Daily *(Politico)*. https://www.politico.com/newsletters/national-security-daily/2025/04/11/the-clock-is-ticking-for-iran-00287080

Hafezi, Parisa, 2024, March 4, 'Iran election turnout hits record low, hardliners maintain grip on parliament', *Reuters*. https://www.reuters.com/world/middle-east/iran-election-turnout-hits-record-low-hardliners-maintain-grip-parliament-2024-03-04/

Hafezi, Parisa, and Yonna Ehab, 2024, 21 May, 'Iranian President Ebrahim Raisi, hardline ally of Khamenei, killed in helicopter crash', *Reuters*. https://www.reuters.com/world/middle-east/hopes-fade-wreckage-found-helicopter-carrying-iranian-president-raisi-2024-05-20/ .

Hamdach, Widyane, 2025, 7 May, 'The Fall of Bashar al-Assad: Winners, Losers, and Challenges Ahead', *Georgetown Journal of International Affairs*. https://gjia.georgetown.edu/2025/05/07/the-fall-of-bashar-al-assad-winners-losers-and-challenges-ahead/ .

Human Rights Activists News Agency (HRANA), 2024, December, 'Annual Statistical Report of Human Rights Conditions in Iran 2024', 2024, pp. 49-50. https://www.en-hrana.org/wp-content/uploads/2024/12/HRANA%20Annual%20Report%202024%20-%20English.pdf

Human Rights Watch, 2023, 15 September, 'Iran: Crackdown on Dissent Ahead of Protest Anniversary'. Iran: Crackdown on Dissent Ahead of Protest Anniversary | Human Rights Watch

Hussain, Raziq & Malik, Rimsha & Mahmood, Muhammad, 2024, 'International North-South Transport Corridor: A Geo-Economic Initiative in a Geopolitical World', *NUST Journal of Social Sciences and Humanities*. 10(1), pp.75-94. https://www.researchgate.net/publication/402390600_International_North-South_Transport_Corridor_A_Geo-Economic_Initiative_in_a_Geopolitical_World/citation/download

International Crisis Group, 2025, December, 'Tracking Conflict Worldwide: Iran', Crisis Watch Database | International Crisis Group

International Information Group (Interfax), 2025, 17 Mar, 'Free trade agreement between EAEU and Iran to go into effect on May 15'. Free trade agreement between EAEU and Iran to go into effect on May 15.

International Monetary Fund 2024, October, *World Economic Outlook. Policy Pivot, Rising Threats.*

ITIC (The Meir Amit Intelligence Information Center), 2024,12 December, 'The power groups in Syria after the fall of the Assad regime', *Eurasia*. The Power Groups in Syria after the Fall of the Assad Regime

Joint Economic Cooperation Commission, 2026 ,16 February, 'Expanding Horizons of Iran-Russia Joint Cooperation, Key Strategic Priorities of the 19th Commission'. ک‌میسیون مشترک نوین همکاری‌های اقتصادی ایران و روسیه

Kasapoğlu, Can, 2025, 9 September 'Assessing Defense Cooperation Between Iran and China in the Wake of the 12-Day War | MENA Defense Intelligence Digest', *Hudson Institute*. Assessing Defense Cooperation Between Iran and China in the Wake of the 12-Day War | MENA Defense Intelligence Digest | Hudson Institute

Khabar Online, 2025, 10 November, '7 million people are below the hunger line/ Raghfar: Growing poverty and corruption at the Ayandeh Bank are linked/ Iran is moving towards "São Pauloization"'. https://www.khabaronline.ir/news/2140374/7-

Khabar Online, 2025, 29 November, 'Faculty member of the Majlis Research Center: 30 million people are in "absolute poverty" and "extreme poverty" / The income of four million people is not enough to feed them'. https://www.khabaronline.ir/news/2136152

Khabar Online, 2025, 2 December, 'Implementation of the Law on Chastity and Hijab+Details'. https://www.khabaronline.ir/news/2150501/

Khajehpour, Bijan, 2024, 31 October, 'Deep Data: The Pezeshkian administration's first budget bill', *Amwaj Media*, https://amwaj.media/en/article/deep-data-the-pezeshkian-administration-s-first-budget-bill.

Khodadadi, Amin, 2025, 8 December, 'Marathon organizers arrested in Iran after women ran without hijabs', *NBC Universal*. https://www.aol.com/articles/marathon-organizers-arrested-iran-women-171157431.html.

Lob, Eric, 2025, 5 November, 'The United States and Iran Must Overcome Four Challenges for Nuclear Talks to Succeed', Carnegie Endowment for International Peace. https://carnegieendowment.org/research/2025/11/the-united-states-and-iran-must-overcome-four-challenges-for-nuclear-talks-to-succeed

Mansour, Renad, and Hayder Al-Shakeri,, 2025, 6 March, 'The Shape-Shifting "Axis of Resistance": How Iran and Its Networks Adapt to External Pressures', *Chatham House*. DOI: 10.55317/9781784136369.

Mazaheri, Mohammad Mahdi, 2025, 4 July, 'Iran-China Cooperation: Strategic Convergence amid Complex Challenges', *International Peace Studies Centre (IPSC)*. Iran-China Cooperation: Strategic Convergence amid Complex Challenges.

Mazaheri, Mohammad, 2024, 26 March, 'Low Voter Turnout in Iran Highlights Candidate Disqualifications and Foggy Polling Data'. https://www.wilsoncenter.org/article/low-voter-turnout-iran-highlights-candidate-disqualifications-and-foggy-polling-data

Nadimi, Farzin 2025, 30 December, 'Iran's Failing Eastward Pivot? The Limits and Risks of Russia-China Alignment', *The Washington Institute for Near East Policy*. https://www.washingtoninstitute.org/policy-analysis/irans-failing-eastward-pivot-limits-and-risks-russia-china-alignment ;

Pakzad, Soroush, 2025, 24 May, 'Why did the truck drivers go on strike and what are their demands?', *BBC Persian*. https://www.bbc.com/persian/articles/cgleg-7p4l60o

Qanbarpour, Sina, 2024, 4 September, 'Low wages, grueling work, and constant mistreatment; nurses in Iran reveal reasons for months of protest', *BBC Persian*. https://www.bbc.com/persian/articles/c6283n51g72o

Rasanah, 2025, 25 February, 'The Iran-Russia Strategic Partnership Agreement: Scope and Impact'. The Iran-Russia Strategic Partnership Agreement: Scope and Impact | International Institute for Iranian Studies

Rasanah, 2026, 21 January, 'Iran Case File: November-December 2025'. https://rasanah-iiis.org/english/wp-content/uploads/sites/2/2026/01/November-December-2025.pdf

Reuters, 2024, 3 July, 'Iran's Khamenei downplays low election turnout'. https://www.reuters.com/world/middle-east/irans-khamenei-says-turnout-presidential-election-was-lower-than-expected-2024-07-03/.

Reuters, 2026, 13 January, 'China's heavy reliance on Iranian oil imports'. China's heavy reliance on Iranian oil imports | Reuters

Sahit, Ata, 2025, 9 May, 'Iran's economy declined sharply in two decades. Now it is staring into an abyss', *TRT World*. https://www.trtworld.com/article/2344b-84b96e8 Iran's economy declined sharply in two decades. Now it is staring into an abyss. - TRT World

Salmiati, and S. N. Kumar, 2024, 30 September, 'Transformation of Iran's Foreign Policy Post-Ebrahim Raisi: Analysis of Nuclear Strategy, International Relations, and Middle Eastern Geopolitics', *Electronic Journal of Social and Strategic Studies*, 5 (30). https://doi.org/10.47362/EJSSS.2024.5205.

The Sentinel, 2025, 9 June, 'Russia emerges as Iran's largest foreign investor in 2024 with $8 billion boost'. Russia emerges as Iran's largest foreign investor in 2024

Siddiqa, Arhama, 2025, 4 March, 'Russia-Iran Strategic Partnership: Forging New Avenues in Geopolitics', *Institute of Strategic Studies Islamabad*, https://issi.org.pk/wp-content/uploads/2025/03/IB_Arhama_March_04_2025.pdf

Snegovaya, Maria, Nicholas Fenton, and Tina Dolbaia, 2025, 4 September, 'CRINK Economic Ties: Uneven Patterns of Collaboration', *Centre for Strategic International Studies (CSIS)*. 250904_Snegovaya_CRINK_Ties.pdf

Statista, 2026, 21 January, 'Iran: Inflation rate from 1987 to 2030', https://www.statista.com/statistics/294320/iran-inflation-rate/

TASS, 2025, 5 June, 'Russia became Iran's largest foreign investor in 2024 – Ambassador in Moscow'. Russia became Iran's largest foreign investor in 2024 – Ambassador in Moscow - World - TASS

Tehran Times,2017, 6 November, 'No more discrimination for women in oil industry: Zanganeh'. https://www.tehrantimes.com/news/418272/No-more-discrimination-for-women-in-oil-industry-Zanganeh.

Tehran Times, 2025, 8 February, 'Iran-China non-oil trade stands at $26.7b in 10 months Economy'. Iran-China non-oil trade stands at $26.7b in 10 months – Tehran Times.

Tehran Times, 2026, 16 February, 'Iran, Russia stress deeper strategic ties as joint economic committee meeting opens'. Iran, Russia stress deeper strategic ties as joint economic committee meeting opens – Tehran Times

Worker Rights Watch, 2025, 'A semi-annual report on labor protests and legal development in Iran, January-June 2025', *Volunteer Activists Institute*. https://workerrightswatch.org/publications/jan-to-june-2025

Worker Rights Watch, 2025, 'A semi-annual report on labor issues, protests and evolving labour regulations in Iran: July-December 2024', *Volunteer Activists Institute*. 68c84a2e5f13d74eb3690e0f_WRW_5.pdf

World Bank Group, 2024, 3 April, Brief No. 188937 (Iran, Islamic Republic of)

World Bank Group, 2024, Spring, 'Iran Economic Monitor, Spring 2024: Sustaining Growth Amid Rising Geopolitical Tensions – With a Special Focus: Recent Poverty and Inequality Trends in Iran (2020-2022)' (English).

World Bank Group, 2025a, October, 'Middle East, North Africa, Afghanistan and Pakistan Economic Update, October 2025: Jobs and Women: Untapped Talent, Unrealized Growth'.

World Bank Group, 2025b, October, 'Macro Poverty Outlook (Iran, Islamic Republic of - Poverty and Shared Prosperity)'.

Azerbaijan 2025: Foreign policy behaviour in a fragmenting Eurasian order

Carlo Frappi

Ca' Foscari University, Venice
carlo.frappi@unive.it

The year 2025 marked the consolidation of a conjuncture that expanded Azerbaijan's capacity for autonomous action within an evolving regional order. Emerging from the interaction between systemic shifts and domestic consolidation, this context enabled Baku to recalibrate its foreign policy posture and reassert its agency across multiple and interconnected regional scenarios. These span the Middle East, the wider Near Eastern space, the Black Sea region, and Central Asia, where Azerbaijan occupies a position of both geographic and civilizational relevance.
The article examines how Azerbaijan has translated renewed agency into observable foreign policy practices and evaluates how this translates into enhanced decision-making autonomy and expanding multiregional influence. It argues that Azerbaijan exemplifies a wider pattern in small-state behaviour whereby agency is leveraged to mitigate structural constraints and project influence beyond material capabilities, adopting role conceptions commonly associated with middle powers. However, while such behaviour is not unprecedented in Azerbaijani foreign policy, recent trends point to a shift away from the cooperative and status quo-oriented practices typically associated with established middle powers. Instead, Baku increasingly exhibits traits commonly associated with evolving forms of middle-power behaviour, including a more assertive, domestic-driven, and selectively revisionist posture toward shaping regional dynamics. Overall, the case illustrates an emerging hybridization of middle-power behaviour, combining cooperative brokerage with selective contestation in pursuit of greater strategic autonomy and multiregional influence.

Keywords – Azerbaijan; middle-power behaviour; foreign policy-making; revisionism.

1. *Introduction*

By 2025, building upon trajectories that had progressively taken shape over the previous decade, Azerbaijan found itself operating within an exceptionally favourable context at both the domestic and international levels. This altered opportunity structure significantly widened Baku's diplomatic latitude, enabling a shift from a largely reactive posture to a more proactive and agenda-setting foreign policy. At the core of this reconfigured conjuncture lay the restoration of full control over Nagorno-Karabakh and the surrounding districts, which had remained outside Baku's effective authority

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

since the 1991-1994 war with Armenia. The reassertion of territorial integrity after the 2020-2023 conflict represented not only a material shift in control over a contested territory but also a powerful source of domestic legitimacy and symbolic capital. It consolidated state authority, redefined the parameters of national sovereignty, and, crucially, reduced the structural constraints that had long circumscribed Baku's external action. By restoring full effective control over Nagorno-Karabakh and the surrounding districts, Baku decisively overcame what had been described as a «mutilated sovereignty syndrome» [Ceccorulli et al. 2016] – a structural condition in which incomplete territorial control constrained both state consolidation and strategic agency. For nearly three decades, the imperative of restoring territorial integrity functioned simultaneously as both the primary driver and the principal constraint of foreign policy, structuring diplomatic priorities, and limiting strategic flexibility. The reassertion of sovereignty did not merely alter the regional balance of power. It reduced the existential salience of the territorial question and enabled a partial reorientation of Azerbaijan's external posture beyond a single-issue agenda, thereby expanding the range of policy options within the evolving regional environment.

The expansion of Baku's policy options cannot, however, be explained solely by domestic consolidation and sub-regional power shifts. It must also be situated within the broader Eurasian context generated by Russia's invasion of Ukraine. The war has reconfigured patterns of great-power interaction across the post-Soviet space, transforming what had been described as a contested in-between region into a far more fluid and volatile strategic environment [Tyushka & German 2025a; 2025b]. In particular, the escalation from structured competition to open conflict between Russia and the collective West weakened Moscow's capacity to project uncontested dominance in its near abroad. At the same time, it intensified Western engagement with local actors, widening the manoeuvring space of states located between the two poles. Consequently, «geostrategic in-betweenness» in the post-Soviet space emerged not only as a condition of constraint but also as a potential resource, enabling states to leverage their positionality in pursuit of compensatory or opportunistic strategies [Tyushka 2025]. For several post-Soviet in-between states, this has translated into a recalibration of foreign policy options, a diversification of external partnerships, and a more assertive articulation of agency within an increasingly fragmented regional order [German 2024].

Building upon the favourable conditions outlined above, Azerbaijan has pursued a more assertive foreign policy posture, reflecting a deliberate activation of agency combining enhanced strategic autonomy with an increasing capacity to shape agendas and broker alignments across adjoining strategic perimeters. In turn, this renewed activism has reinvigorated debates within national academic and policy-oriented circles alike around Azerbaijan's standing as a middle power. Across this literature, the attribution of middle-power status to Azerbaijan rests on three interrelated and

often intertwined arguments. First, a material-strategic argument links this status to enhanced energy leverage and military capabilities, as well as to the reconfiguration of the regional status quo after 2020 [Ibrahimov 2024]. Second, a behavioural argument emphasizes activism in multilateral and minilateral settings, diversified institutional engagement, and the bridge-building role across geopolitical divides and regional chessboards as markers of middle-power conduct [Jafarova 2024; Ibrahimov 2024; Castro 2026]. Third, an ideational and reputational argument foregrounds soft power, norm entrepreneurship, and multicultural diplomacy as instruments through which Azerbaijan projects both legitimacy and influence beyond its material weight [Asgarov 2024; Jafarova 2024].

The present article builds upon, but also moves beyond, this emerging narrative. On the one hand, it starts from the assumption that Baku, maximizing limited material resources and leveraging targeted policy instruments to «punch above its weight», conforms to a long-standing pattern among small states in the post-Cold War order, behaving in ways typically associated with middle powers. On the other hand, the article examines the extent and patterns of Azerbaijan's middle-power-like conduct in 2025, situating the case within the evolving spectrum of behavioural repertoires observable across this composite category. The objective is not classificatory, and the purpose is not theory-building but theory-informed empirical analysis. The objective is therefore primarily empirical: the middle-power framework is employed here as an analytical and heuristic lens to assess how observable patterns of Azerbaijan's diplomatic conduct align with, adapt, or diverge from behavioural repertoires identified in the literature.

The article proceeds as follows. Section 2 outlines the conceptual evolution of the middle-power debate and introduce the analytical framework adopted. Section 3 examines those strands of Azerbaijan's external engagement that display continuity with a long-standing strategy of maximizing limited material resources through targeted diplomatic activism, a behaviour commonly associated with traditional and emerging middle powers. Section 4 turns to more recent foreign policy patterns that suggest an ongoing hybridization of Azerbaijan's middle-power behaviour, combining repertoires associated with different variants within this heterogeneous category.

2. *Middle-Power Behaviour in a Changing International Order*

The diffusion of material power, the regionalization of the international system, and the waning of great powers' influence have reactivated debates on middle powers, whose number increased significantly over the last two decades [Institute for Economics & Peace 2026]. Yet, few concepts in International Relations remain as elusive as that of middle-powerness [Robertson

2017], not least because of the persistent difficulty in establishing clear categorical boundaries. Attempts to define middle powers through aggregate quantitative indicators have failed to produce stable thresholds, thereby exposing the conceptual limitations of purely rank-based approaches [Cooper et al. 1993]. As a result, the debate took a behavioural turn: a middle-power came to be defined not by what it *possesses*, but by what it *does*. This qualitative shift placed emphasis on a diplomatic style characterized by a propensity «to promote cohesion and stability in the world system» [Jordaan 2003, p. 165]. Middle powers were commonly portrayed as internationalist in orientation, multilateral in method, and normatively committed to «good international citizenship», thereby contributing to the stability of the liberal international order [Cooper et al. 1993]. Their behaviour is also typically associated with the practice of niche diplomacy, defined as «concentrating resources in specific areas best able to generate returns» [Evans & Grant 1991, p. 323].

Derived from historically contingent models and affected by tautological vulnerabilities [Robertson 2017], the behavioural approach has come under sustained pressure since the beginning of the century. This trend resulted from the emergence of new middle powers, whose foreign policy conduct departs significantly from the institutional and normative patterns associated with traditional cases. In a seminal work introducing a distinction between «traditional» and «emerging» middle powers, Jordaan [2003] highlighted both constitutive and behavioural differences. Emerging middle powers differ from their traditional counterparts in that they tend to occupy a semi-peripheral position in the global political economy, combine recent or incomplete democratic consolidation with pronounced domestic inequality, and exercise significant – sometimes dominant – regional influence. At the behavioural level, the key distinction lies in their orientation toward global order: whereas traditional middle-powers typically pursue an appeasing and system-reinforcing internationalism, emerging ones adopt a reformist posture, while remaining broadly committed to the stability of the existing order.

The distinction between traditional and emerging middle powers only temporarily restored analytical clarity to a concept strained by empirical expansion, as the subsequent proliferation of behavioural repertoires further destabilized the model. As foreign policy practices expanded to include assertive regional activism, coercive diplomacy, selective multilateralism, and norm contestation, the assumption of a coherent middle-power behavioural core became progressively unteneable.[1]

1. Jordaan himself later acknowledged this tension, ultimately suggesting that states displaying counter-hegemonic tendencies should no longer be classified as middle powers, effectively restricting the term to «mid-range states that actively work to stabilise the liberal hegemonic order» [Jordaan 2017, p. 396].

In response, the literature coined new labels and concepts aimed at capturing «heterodox» behavioural repertoires. A first strain of the literature frames behavioural discrepancy in terms of *status quo* versus *revisionist* middle powers [Moeini et al. 2022], arguing that the latter engage in rule-contesting or order-revising strategies rather than system legitimizing practices. Revisionism is understood here in terms of targeted challenges to Western dominance, governance asymmetries, or liberal normative hierarchies. Aydın [2021] further enriches this picture by showing that emerging middle powers often adopt a dual strategy toward the liberal international order: they are neither outright revisionist nor fully *status quo*, but instead pursue selective engagement combined with normative contestation. While benefiting from institutional embeddedness within the liberal order, they simultaneously criticize its distributive injustices and governance asymmetries. In this sense, they operate as «internal critics» of the order.

A related but analytically distinct category is that of «unusual middle power» developed by Öniş and Kutlay [2021]. In this formulation, emphasis lies on hybridity of foreign policy behaviour. On the one hand, unusual middle powers combine multilateral engagement with unilateral assertiveness, oscillating between cooperative brokerage and hard-power projection; on the other hand, this behavioural pattern is linked to domestic dynamics, as foreign policy activism becomes intertwined with regime consolidation and internal legitimacy-building. Assertive external postures, strategic autonomy narratives, and selective institutional engagement are not only systemic strategies but also tools for regime strengthening. Building on this line of inquiry, Aydın-Düzgit [2023] introduces the category of «authoritarian middle powers» to capture cases in which regime survival strategies reshape the external orientation toward the liberal order. In such instances, contestation is not only strategic but also ideational: authoritarian-leaning middle powers increasingly reject the liberal normative core while remaining functionally embedded within the institutional architecture of the order.

These classifications do not appear mutually exclusive types of middle powers. Rather, they represent analytically distinct but overlapping dimensions of heterodox deviation from the classical middle-power script. Taken together, they point to three core variables along which contemporary middle-power behaviour varies and may be analyzed under a coherent analytical framework. First, systemic orientation, namely the state's attitude toward the liberal international order – ranging from *status quo* legitimation to selective contestation and internal revisionism. Second, strategic repertoire, or the instruments and modalities of international action – ranging from classical multilateral brokerage, bridge-building, and coalition management to coercive diplomacy, minilateralism, and autonomy-seeking activism. Third, the domestic-external nexus, capturing the extent to which foreign policy activism is linked to regime consolidation, status-seeking narratives, and domestic legitimacy dynamics. Recast in these terms, the

evolving middle-power debate offers a practical analytical grid rather than a purely classificatory exercise. The three dimensions identified above serve here as an interpretative framework to examine Azerbaijan's foreign policy in 2025 – highlighting patterns of continuity, adaptation, and emerging inflection points.

3. *Continuities in Baku's middle-power behavior*

Over the course of 2025, Azerbaijan intensified its efforts to project a form of good international citizenship primarily through the deliberate cultivation of strategic «niches». This vector of foreign policy unfolded along two principal tracks: mediation diplomacy and aid diplomacy. The former constitutes a classical hallmark of traditional middle-power behavioural repertoires and represents a particularly noteworthy niche through which such states project influence beyond their material weight. In the Azerbaijani case, the recent activation of this vector of foreign policy should be interpreted against the backdrop of a broader «polycrisis» affecting its adjoining strategic perimeters. Rather than constraining Baku's agency, this environment of overlapping tensions expanded its diplomatic room for manoeuvre. It enabled the country to consolidate a bridge-building role that leverages its in-between condition, understood not merely in geographic terms but also in cultural and strategic ones. Situated at the intersection of Euro-Atlantic, Eurasian, and Middle Eastern arenas, Baku sought to capitalize more systematically on this liminal condition and its balanced ties with rival actors to position itself as a credible mediator and facilitator of dialogue. Mediation diplomacy therefore emerges not as episodic activism but as a deliberate niche strategy [Yagubova 2025] consistent with established middle-power repertoires.

In 2025 Azerbaijan's mediation diplomacy unfolded along two principal tracks. The first concerns relations between Turkey and Israel, a particularly significant vector insofar as the sharp deterioration of bilateral relations over the past decade – recently intensified by tensions linked to Syria – placed two pillars of Azerbaijan's balanced foreign policy on a potential collision course. Close security ties with Ankara and dense defence and energy cooperation with Tel Aviv enabled Baku to initiate a calibrated «quiet diplomacy» [*Al Arabiya* 2025, 3 June] and to act as a discreet facilitator of dialogue in a high-mistrust environment. This triangular dynamic resulted in the opening of a «Baku Process», whereby Azerbaijan acted as a potential stabilizing intermediary limiting escalation risks [Khanin 2025, 21 November]. In early 2025, amid concerns over potential military incidents in Syria, Baku hosted technical talks aimed at establishing a deconfliction mechanism between the parties [*Reuters* 2025, 10 April; *Times of Israel* 2025, 10 April], inaugurating multiple rounds of discussions conducted under

Azerbaijan's auspices [*Al Arabiya* 2025, 3 June; *Times of Israel* 2025, 3 June]. This mediation vector is particularly significant not only because it leverages Azerbaijan's strategic in-betweenness, but also because it mobilizes its cultural and civilizational positioning.[2] The mediation effort also draws on Azerbaijan's cultivated image as an interfaith bridge, with commentary framing its role as consistent with a narrative of Muslim-Jewish coexistence and dialogue [Eichner 2025, 14 April].

The second track of mediation diplomacy concerns the Russia-Ukraine conflict. In mid-2024, at the request of Ukraine and the European Union, Azerbaijan sought to facilitate negotiations between Kyiv and Moscow over a Russian gas transit agreement set to expire at the end of the year [*Reuters* 2024, 13 June]. Azerbaijani authorities subsequently signalled their readiness to host broader rounds of negotiations in Baku, presenting the country as a neutral venue for dialogue aimed at de-escalation [*Report* 2025, 26 July]. While the mediation of gas transit proved unsuccessful and the proposal to host negotiations did not materialize into concrete follow-up initiatives – due in part to the subsequent deterioration of bilateral relations between Baku and Moscow – this track remains analytically significant. On the one hand, it illustrates the extent to which Azerbaijan's calibrated positioning creates a perception of relative balance and the potential to act as an intermediary on a strategically sensitive issue at the intersection of energy security and wartime diplomacy; on the other hand, it demonstrates the diplomatic capital generated by Azerbaijan's in-between posture and to the explicit willingness of its leadership to translate that positionality into mediation initiatives.

Alongside mediation diplomacy, aid diplomacy constitutes a second pillar of Azerbaijan's niche-building strategy. Institutionalized in 2011 through the creation of the Azerbaijan International Development Agency (AIDA) within the Ministry of Foreign Affairs, this policy instrument has, for over a decade, served as a structured and multiregional channel of external action [Frappi 2019]. The most recent OECD data confirm a sustained upward trend in Azerbaijan's external assistance, which increased from approximately US$ 16 million in 2014 to around US$ 60 million in 2024 [OECD 2025, 11 June]. While Azerbaijan remains far from the international commitment to achieve a 0.7% ODA/GNI ratio by 2030, the steady expansion

2. This dual strategic and civilizational positioning had already become visible in mid-2024, when reports indicated that Lebanon had approached Azerbaijan to explore possible mediation channels with Israel prior to operations against Hezbollah. Beyond the immediate episode, this development can be read as an instance of early signalling of mediation capacity. In the same vein, regional analyses further suggested that such a role could position Baku as a facilitator in broader diplomatic realignments, including potential efforts to revitalize or expand the framework of the Abraham Accords in a post-Gaza environment [Khanin 2024, 24 July; Khanin 2025, 21 November].

of its aid envelope has nonetheless positioned the country, in OECD formulation, as an «emerging provider of development co-operation, sharing its experience of economic transformation to an upper middle-income country» [OECD 2025, 11 June]. Aid diplomacy has thus become both a pillar of Azerbaijan's projection of good international citizenship and a manifestation of status-seeking behaviour: through the selective provision of development and humanitarian assistance, Baku signals responsibility, competence, and upward mobility within the hierarchy of international actors.

In 2025, humanitarian diplomacy also functioned as an instrument embedded within broader foreign policy calculations. This was particularly visible in Azerbaijan's calibrated posture toward the Russia-Ukraine war, built upon a cautious balancing strategy: avoiding open condemnation of Russia in international forumsand refraining from joining Western sanctions regimes, while reiterating its steadfast commitment to Ukraine's territorial integrity. This posture was complemented by tangible humanitarian support to Kyiv. By early 2026, Azerbaijan's cumulative assistance to Ukraine was estimated at over US$ 45 million [Butun 2026, 27 January]. Such support was channelled both through AIDA and through the active involvement of the state oil company SOCAR. Significantly, SOCAR directed part of its assistance toward strengthening the resilience of Ukraine's energy sector at a time when energy infrastructure had become a primary target of Russian military strikes, affecting also Azerbaijani-linked assets in the country [Kennedy 2025, 11 August].

The diversification of spatial and sectoral areas of intervention has traditionally characterized Azerbaijani aid diplomacy [Frappi 2019]. Nevertheless, the African continent – and particularly Sub-Saharan Africa – has remained a consistent priority of engagement. This orientation has been corroborated by the most recent trends in the provision of development assistance, which – although limited in absolute terms – remain concentrated in a restricted yet strategically coherent set of domains.[3] Still, aid diplomacy toward Africa is less about scale than about status and positioning, further illustrating how this niche is embedded within broader foreign

3. The most recent available data report approximately US$ 400,000 in official development assistance (ODA) directed to African countries in 2023 [OECD 2025, 11 June]. This figure appears to have increased significantly in 2024, reportedly exceeding US$ 10 million in humanitarian projects implemented by AIDA. In terms of sectoral priorities, the energy sector remains central, combining hydrocarbon expertise with an expanding emphasis on renewables and climate diplomacy – an agenda further reinforced in the lead-up to Baku's hosting of COP29. Governance and public-sector reform constitute a second pillar of engagement, while a third dimension concerns human capital development, including scholarship programs and technical training initiatives designed to foster long-term institutional cooperation and elite linkages. These figures do not encompass commercial investments with economic spillover effects in African countries, estimated at approximately US$ 130 million in 2024 [Hasanly 2025, 24 September; Baku Network 2025, 22 April].

policy strategies. It reflects a strategic prioritization of partnerships with the Global South, an established feature of emerging middle-power activism in Jordaan's [2003] understanding. It also reflects a model of South-South cooperation grounded in knowledge transfer and institutional capacity-building, through which Baku leverages its own experience of economic transformation [Frappi 2019; Mahammadova & Guliyev 2025].

Thus, while mediation and aid diplomacy illustrate Baku's niche-building strategy, they also point toward a broader behavioural orientation, namely a preference for multilateral engagement anchored in the Global South. This preference does not disclose disengagement from Euro-Atlantic institutions. On the contrary, by strengthening ties within Global South networks while maintaining dense economic and institutional connections with the Global North, Azerbaijan explicitly aims at positioning itself as a relational intermediary [PRA 2024, 18 December] – yet another demonstration of the attempt to leverage the country's multidimensional in-betweenness. Strengthening participation in Global South multilateral frameworks provides Azerbaijan with opportunities to «enhance its diplomatic visibility, bolster international legitimacy, and increase the market competitiveness of its non-oil sectors» [Garayeva et al. 2025, p. 2]. This strategy has been pursued primarily through the engagement with the Non-Aligned Movement (NAM). Serving as Chair from 2019 to 2023 – an unprecedented one-year term extension endorsed by member states – Baku consolidated its position within one of the largest multilateral groupings of the Global South contributing to the enhancement of its institutional and operational profile. Crucially, cooperative mechanisms launched and institutionalized under Azerbaijan's chairmanship – most notably the Parliamentary Network and the Youth platform – provided the structural avenues through which this engagement was also sustained beyond the formal conclusion of its mandate.[4]

Rather than privileging a single institutional axis, Azerbaijan's multilateral activism and engagement with the Global South are pursued across heterogeneous institutional frameworks, including BRICS and the Shanghai Cooperation Organisation (SCO). While Baku formally applied for BRICS membership in mid-2024, it also signalled interest in upgrading its current dialogue partner status within the SCO [Huseynov 2024, 16 October; Mammadov 2024, 18 July]. Both paths – and particularly the latter – gained traction also as a result of the growing entente between Azerbaijan and China. This process culminated in April 2025 with the signing, on the occasion of a visit to Beijing of Azerbaijani President Ilham Aliyev, of a Joint

4. The continued operationalization of these mechanisms in 2025 is evidenced, *inter alia*, by the Fourth Conference of the Non-Aligned Movement Parliamentary Network held in Tashkent in April 2025, as well as by the sustained activities of the NAM Youth Organization, including the Youth Week convened in Baku in early 2026 [Non-Aligned Movement Parliamentary Network 2025, 6 April; TURKPA 2025, 6 April; *Azernews* 2026, 5 February].

Statement establishing a comprehensive strategic partnership that included support for Azerbaijan's enhanced legal status within the SCO [APA 2025, 23 April] – potentially extending to full membership, according to President Xi Jinping [*Report* 2025, 1 September].[5]

A further illustration of Azerbaijan's multiregional agency is its formal accession to the consultative framework of Central Asian states [Cutler 2025, 17 November], transforming the so-called C5 format into a broader C6 mechanism and anchoring Baku more structurally within Central Asian evolving regional diplomacy. While Azerbaijan's participation in the C5 format builds on a long-standing path of cooperation sustained by ethno-linguistic bonds, it also reflects Baku's capacity to capitalize on opportunities created by the current regional context. On the one hand, these opportunities derive from the growing need among Central Asian states to diversify their external relations amid heightened uncertainty in regional power balances [Drost et al. 2025]. On the other, they stem from the economic and strategic prospects generated by growing international interest in the Trans-Caspian International Transport Route (TITR), an overland corridor linking East Asia and Europe bypassing Russia to the north and Iran to the south. Now central to the regional strategies of both the EU and China [Drost et al. 2025; Sahakyan 2026], the TITR consolidates Azerbaijan's role as key a Caspian transit hub – a position in which Baku has long invested through sustained diplomatic and economic efforts [Frappi 2022].

Azerbaijan's bridging role and regional positioning were further reinforced by the recent «diplomatic breakthrough» [Gurbanov 2026, 8 January] in Azerbaijani-US relations, after several years of lingering tensions. Regional connectivity occupies a central place in the «Charter on Strategic Partnership» that the two countries committed to elaborate through a memorandum signed during the trilateral Washington summit of August 2025 [DoS 2025a, 8 August], attended by Donald Trump, Ilham Aliyev and Armenian Prime Minister Nikol Pashinyan. In the same context, linking regional connectivity to the broader peace process over Nagorno-Karabakh, the three leaders endorsed a preliminary agreement for the construction of a transport corridor connecting Azerbaijan with the Nakhchivan exclave through southern Armenia [DoS 2025b, 8 August] – the so-called Trump Route for International Peace and Prosperity. In addition to enabling Armenia to comply with one of the provisions of the 2020 ceasefire agreement, the project would strengthen the development of the TITR while signalling renewed US engagement in addressing the regional transit di-

5. Azerbaijani participation in SCO-linked economic platforms – such as the SCO International Investment and Trade Expo in 2025 – further illustrates an effort to embed economic diplomacy within Eurasian institutional architectures. Additional consultations between Azerbaijani officials and the SCO Secretariat in late 2024 and early 2025 underscore the continuity of this engagement beyond the affiliation issue [MoE 2025, 21 July; *News.az* 2026, 22 January].

mension within the peace process and in supporting wider Eurasian connectivity initiatives.

Against this backdrop, Azerbaijan's participation in the C6 format further consolidates its bridge-building role across overlapping regional arenas. It also illustrates a layered pattern of institutional embeddedness, combining regional consolidation within Central Asia, strengthened trans-Caspian connectivity toward Europe, and alignment with renewed US-backed connectivity initiatives.

4. *The hybridization of Baku's middle-power behaviour*

Alongside the behavioural repertoire discussed above, Azerbaijan's foreign policy in recent years has also displayed patterns commonly associated with heterodox middle powers, notably the selective use of coercion and the renegotiation of asymmetric relationships in pursuit of greater strategic autonomy.

Azerbaijan's use of coercive instruments is most evident in the negotiations with Armenia over a peace treaty following the 2020-2023 war. The process culminated in March 2025 with the signing of a 17-point Agreement on the Establishment of Peace and Inter-State Relations, later initialled in a non-legally binding form at the August 2025 Washington summit. Leveraging a marked asymmetry in military, diplomatic, and negotiating power, Azerbaijan deployed a broad repertoire of incentives and disincentives to steer Armenia toward acceptance of its proposed peace terms. Consequently, diplomatic engagement and gestures of cooperation have coexisted with elements of coercive bargaining and more or less explicit signals of military pressure.[6] This approach is reflected both in the conduct and in the partial outcomes of the negotiations, as well as in the issues that remain unresolved. Chief among these is the demand that Armenia amend its Constitution to remove references to the 1990 Declaration of Independence and the territorial claims over Karabakh contained therein. In a post-war bargaining environment marked by clear asymmetries, such a request amounts to an exercise in «coercive diplomacy, with effects that are not insignificant in their detrimental impact on [Armenian] sovereignty» [Della Malva 2025, p. 249].

6. A case in point is the Azerbaijani narrative of «Western Azerbaijan», which refers to the territory of present-day Armenia as the historical homeland of Azerbaijani communities displaced from the region in several waves during the twentieth century. While Azerbaijani official discourse frames the issue in cultural and humanitarian terms – particularly in terms of right of return and preservation of historical heritage – Armenian analysts have argued that the narrative may carry broader political implications, warning that it could implicitly challenge the legitimacy of the territorial status quo. For the Azerbaijani narrative, see PRA [2025, 21 May]; for the Armenian perspective, see Hayrapetyan [2025, 27 May].

Turning to the conduct of the negotiations and their outcomes, Azerbaijan's coercive approach was accompanied by lawfare tactics and generated effects extending well beyond the bilateral relationship between the parties. The recourse to lawfare – understood as the strategy of using or misusing legal instruments to achieve warfighting objectives [Dunlap 2008] – is reflected not only in the reciprocal resort to international courts after 2020 [Uraz 2025], but also in the fact that «the mutual withdrawal of claims and the commitment not to take actions against each other» constituted one of the conditions imposed on – and accepted by – Yerevan for the signing of the March agreement [*Armenpress* 2025, 13 March]. A further condition accepted by Armenia concerned the commitment not to allow the deployment of foreign forces along the interstate border. This requirement directly affects the presence of the EU civilian monitoring mission in Armenia (EUMA): a «so-called observation mission» that was extended violating previous agreements without Azerbaijan's consent which, in President Aliyev's words, «did not strengthen trust but, on the contrary, undermined it», demonstrating in turn how the EU «unequivocally took Armenia's side in the normalization process» [PRA 2025, 7 Jan]. The negotiating conditions advanced by Baku illustrate how the coercive management of the peace process also served to constrain the involvement of third parties, shaping not only the bilateral settlement but the broader regional diplomatic environment.

Azerbaijan's insistence on excluding third-party deployments along the interstate border reflects a broader preference for a strictly bilateral negotiation framework. Consistent with this approach, Baku has also sought to reshape the institutional setting of negotiations by advocating the dissolution of the largely ineffective OSCE Minsk Group, which had been entrusted with mediating the Nagorno-Karabakh conflict since the early 1990s. Azerbaijan therefore introduced an additional negotiating condition vis-à-vis Armenia, requesting that Yerevan align with Baku in formally calling for the termination of the Minsk process. Armenia's eventual acceptance of this demand led to the issuance of a Joint Appeal in Washington, based on which the OSCE Ministerial Council formally dissolved the mechanism in early September [OSCE 2025, 1 September].

Azerbaijan's increasingly assertive pursuit of autonomy-maximizing strategies also translated into attempts to expand its room for manoeuvre by recalibrating asymmetric relationships with larger partners. This trajectory is particularly visible in Baku's recent interactions with major actors such as Russia, France, and the EU, where growing capabilities and shifting regional dynamics have encouraged a more self-confident renegotiation of established patterns of engagement.

The restoration of full sovereignty over Karabakh – symbolically marked by the early withdrawal of Russian peacekeepers deployed after 2020 [*Reuters* 2024, 17 April] – combined with Moscow's «Ukraine distraction», reduced structural asymmetry in Russian-Azerbaijani relations and

formed the backdrop to the most serious bilateral crisis since the early 2000s. The confrontation was triggered by the the Russia accidental shooting down of an Azerbaijan Airlines aircraft flying toward Grozny in December 2024, which sparked Baku's demands for accountability and compensation from Moscow in what national outlets portrayed as a matter of «national dignity» [Guliyev 2025, 30 July]. Tensions escalated during the first half of 2025 as Baku restricted the activities of several Russian media outlets and peaked in summer, after a Russian police operation in Ekaterinburg targeting Azerbaijani diaspora, followed by a wave of arrests in Azerbaijan targeting employees of the news agency Sputnik [Rahimli 2025, 7 July]. A process of gradual de-escalation began in autumn, when Presidents Aliyev and Vladimir Putin met on the margins of the CIS summit in Dushanbe, signalling a willingness to «bury the hatchet» [Ostiller 2025, 10 October] after Russia publicly acknowledged responsibility for the aircraft incident. The crisis illustrates Baku's attempt «to impose new rules on Moscow» [Kitachaev 2025, 7 July], a renegotiation dynamic aimed at asserting greater autonomy in a shifting regional order where Azerbaijan retains growing bargaining chips vis-à-vis Russia.[7]

A similar renegotiating rationale emerges in the recent deterioration of Azerbaijan's relations with France, reflecting not only a degree of self-confidence comparable to that displayed in its dealings with Russia, but also the hybridization of its middle-power-like behaviour. The accusations levelled by Baku against Paris revolved around two main strands. First, in response to the intensification of diplomatic ties and military cooperation between France and Armenia, Azerbaijani officials accused Paris of providing Yerevan with «offensive, lethal weapons that present a real threat to Azerbaijan» [PRA 2024, 18 December]. Second, reacting to repeated French calls for the protection of the rights of Karabakh Armenians and guarantees for the return of refugees who fled the enclave following the September 2023 military operation, Baku framed Paris's position as unacceptable interference in the country's internal affairs [PRA 2023, 5 July]. More broadly, France was accused of pursuing an «anti-Azerbaijan policy within various international organizations and at the parliamentary levels» aimed at «strengthening its influence in the South Caucasus» [PRA 2024, 1 February].

In Baku's response to French pressure, the dispute was framed not merely as a bilateral disagreement but as part of a broader struggle against lingering colonial practices in international politics. Accordingly, the re-

7. A particular case in point comes from regional infrastructural politics, as Baku holds a pivotal position in the «International North-South Transport Corridor» linking Russia with Iran and the Persian Gulf through Azerbaijani territory. In 2025, trilateral cooperation intensified through agreements aimed at expanding the corridor's western route, increasing cargo transit targets, and coordinating tariffs and logistics services along the Russia-Azerbaijan.Iran axis [Asia News Monitor 2025, 16 October].

sponse was articulated primarily through forums in which it had cultivated engagement with the Global South – and particularly through NAM, a privileged platform to level accusations against Paris of pursuing «neo-colonial policies» [PRA 2023, 5 July]. Moreover, from late 2023 onwards, Baku also sought to mobilize partners across the Global South through a series of initiatives centred on decolonization. The government supported the creation of the Baku Initiative Group (BIG), an international platform bringing together activists, scholars and political representatives from territories still associated with various forms of colonial governance, with particular attention to French overseas territories.[8] Through publications, public events, and conferences organized in prominent international venues – including meetings associated with the UN Special Committee on Decolonization – the initiative promoted debates on colonialism and neo-colonialism while drawing particular attention to France's policies. By internationalizing the dispute, Azerbaijan reframed its confrontation with France within a broader Global South discourse, leveraging multilateral arenas and transnational networks to contest Paris' normative claims while projecting itself as a defender of sovereign equality and post-colonial justice. The BIG activities also testifies to the recurring instrumental use of legal and normative discourse in Azerbaijan's foreign policy. For instance, its stated commitment to the «promotion and protection of all human rights […] in countries under the control of other states» [BIG n.d.], sits somewhat uneasily alongside Baku's longstanding practice of rejecting allegations of human-rights violations, illustrating how legal and normative arguments may be selectively mobilized as part of a broader strategy of diplomatic contestation.

An analogous effort to renegotiate the terms of engagement and expand Baku's room for manoeuvre can also be observed in relations with the EU. The dynamics triggered by the war in Ukraine and the ensuing rupture in EU-Russia relations have significantly enhanced Azerbaijan's strategic relevance in both energy security and transcontinental transport connectivity, thereby strengthening its bargaining position vis-à-vis Brussels. This trend has consolidated the parameters of an interest-based relationship marked by selective engagement, whereby Baku actively cooperates with the EU in areas of strategic relevance while simultaneously resisting normative conditionality [Simão 2018; Van Gils 2017; Delcour & Wolczuk 2021]. Although Baku has long responded to European criticism

8. It is worth noting that Azerbaijan has been accused of fomenting the pro-independence unrest that erupted in New Caledonia in spring 2024. Representatives from the territory – together with those from other French overseas collectivities and regions (French Guiana, Martinique, Guadeloupe, French Polynesia, and Corsica) – have been among the most frequent participants in the initiatives promoted by the Baku Initiative Group (BIG). The Initiative has also devoted one of its reports to the island's colonial legacy [BIG 2024]. On the 2024 riots and the alleged Azerbaijani involvement, see Dubow [2024, 22 May].

through counter-narratives framed around allegations of double standards and anti-Azerbaijani bias [Van Gils 2017], recent reactions suggest a qualitative shift in tone. Baku's rhetoric has become markedly more assertive following a series of European Parliament (EP) resolutions condemning Azerbaijan for violations of human rights and civil liberties,[9] as well as the EU's increasingly active involvement in South Caucasus security dynamics – developments widely interpreted in Baku as reflecting a pro-Armenian bias, as already seen. These reactions can be analytically grouped into two partially overlapping yet distinct strands. The first strand is primarily politico-diplomatic in nature. Azerbaijani officials have consistently framed EU criticism and initiatives as infringements upon the principles of sovereignty and non-interference in domestic affairs, while EU security cooperation with Armenia has been portrayed as a threat to the country's territorial integrity and as undermining peace and stability in the region [MFA 2024. 25 October]. At the same time, Baku's rhetoric has increasingly invoked the language of sovereign equality and reciprocity. This framing has been reinforced by claims that Azerbaijan «does not depend on» and does not «expect anything from» the EU [PRA 2025, 7 January].

Alongside this framing, Azerbaijani discourse has increasingly incorporated a second, more explicitly ideational and value-based dimension. European criticism is not only rejected as politically biased but also portrayed as reflecting broader patterns of double standards, hypocrisy, and – particularly in the case of the EP – even «political corruption» [PRA 2024, 13 November]. Within this narrative, EU policies and its normative agenda are depicted as selectively applied, imbued with anti-Muslim sentiment and instrumentalized for political purposes. This framing aligns with what Azerbaijani officials describe as a broader tendency among some Western countries «to interfere in the internal affairs of Azerbaijan by using the issue of human rights as a pretext» [PRA 2024, 2 April]. Moreover, by intervening in the domestic processes of sovereign states, the EU is portrayed as displaying forms of colonial behaviour [PRA 2025, 9 April].

The sovereignty-first approach to international relations functions not only – as previously observed in the literature [Van Gils 2018] – as a defensive shield protecting the regime from external pressure, but also as a source of domestic legitimacy. In official rhetoric, imperial tendencies and the resulting propensity to interfere in the internal affairs of third countries

9. In 2024, the EP adopted by large majorities two resolutions in which it strongly condemned Azerbaijan for violations of human rights and international law, as well as the domestic and extraterritorial repression of civil society, calling, inter alia, for the suspension of the EU's energy partnership with the country [European Parliament 2024, 24 October; 2024, 19 December]. Two further resolutions followed in 2025, condemning the unlawful detention and sham trials of Armenian detainees, and the arbitrary arrest and sentencing of academics [European Parliament 2025, 13 March; 2025, 18 December].

are portrayed as being enabled by weak national leaderships: «If the leaders are weak, then the country is considered weak», which in turn opens the door to «foreign intervention, which actually undermines the moral and genetic fabric of those nations» [PRA 2025, 7 January]. Within this narrative, only strong leadership is portrayed as capable of upholding the principle of sovereignty by resisting imperial or neo-colonial interference and safeguarding national values from external attempts at corruption. A condition that Azerbaijani officials claim to have achieved.

5. *Conclusions*

This article has examined Azerbaijan's foreign policy through the analytical lens of middle-power behaviour, assessing how Baku mobilizes diplomatic instruments and strategic positioning in order to project influence beyond its material capabilities. Interpreted through an analytical framework centred on systemic orientation, strategic repertoire, and the domestic-external nexus, the observed patterns of conduct reveal an increasingly hybrid foreign policy configuration combining elements associated with traditional, emerging, and heterodox middle-power repertoires.

From the perspective of strategic repertoire, Azerbaijan continues to rely on instruments commonly associated with traditional and emerging middle-power diplomacy. Mediation initiatives, humanitarian assistance, and diversified multilateral engagement illustrate how Baku cultivates diplomatic niches that amplify its international presence. These initiatives leverage the country's multidimensional in-betweenness to sustain a bridge-building role across multiple regional arenas. This is further reflected in Baku's activism within established and emerging Global South platforms, as part of a broader strategy of institutional diversification aimed at strengthening diplomatic visibility and influence. At the same time, the coercive dimension of its negotiations with Armenia points to a hybridization of the country's strategic repertoire. Baku has leveraged its strengthened post-war position to shape both the terms of the peace process and the broader regional diplomatic environment: through a calibrated combination of incentives, legal pressures, and political demands, Azerbaijan has sought not only to secure a favourable bilateral settlement but also to redefine the institutional parameters of regional order in the South Caucasus.

In terms of systemic orientation, Azerbaijan's external conduct increasingly departs from the cooperative script traditionally associated with middle powers. Relations with the EU illustrate a gradual shift from normative misalignment to a broader value divergence. While Azerbaijan has long resisted EU political conditionality, recent rhetoric suggests that contestation now extends beyond specific policies to the legitimacy of the value framework underpinning European engagement. Thus, Baku's contesta-

tion increasingly extends beyond defensive rebuttal toward a more explicit ideational challenge to the normative authority claimed by the liberal order. In this sense, Azerbaijan increasingly approximates patterns associated with revisionist middle powers, insofar as revisionism is performed not as systemic opposition to the liberal international order, but as selective contestation of its normative hierarchies. Rather than disengaging from the institutional structures of the order, Baku challenges specific asymmetries and claims of normative authority, particularly where these are perceived to conflict with sovereignty-centred conceptions of international legitimacy. This shift is closely connected to the renewed centrality of sovereignty in Azerbaijan's foreign policy narrative. For nearly three decades, the principle of sovereignty had been primarily invoked to reaffirm Azerbaijan's claim to territorial integrity in the context of the unresolved Nagorno-Karabakh conflict. Following the restoration of full territorial control after the 2020-2023 war, however, its meaning and function have partially evolved. It now functions primarily as a normative shield against perceived external interference, providing the conceptual foundation for rejecting international criticism and resisting external pressure. Sovereignty-first rhetoric has therefore become a central pillar of Azerbaijan's broader autonomy-maximizing strategy.

The domestic-external nexus provides the third key dimension through which Azerbaijan's evolving behaviour can be understood and aligned with the heterodox middle-power repertoire. The sovereignty-centred rhetoric accompanying Baku's external activism together with the renegotiation of asymmetric relations with key external interlocutors also functions as an important component of regime legitimation. In this sense, foreign policy activism is not only a response to systemic opportunities but also an integral component of political narratives emphasizing strength, independence from external pressure, and resistance to perceived foreign interference. This dynamic aligns with recent scholarship on «unusual» and «authoritarian» middle powers, where external assertiveness and internal legitimacy become mutually reinforcing.

Taken together, these developments indicate the progressive hybridization of Azerbaijan's middle-power behaviour. Rather than abandoning cooperative practices, Baku has layered them with a more assertive and autonomy-driven repertoire that includes selective norm contestation, coercive bargaining, and the renegotiation of asymmetric relationships. Azerbaijan's foreign policy in 2025 thus illustrates how states positioned in geopolitical in-between spaces may increasingly combine cooperative and revisionist strategies in order to maximize both autonomy and influence. In this sense, Azerbaijan does not conform to a single middle-power model. Instead, it strategically blends multiple behavioural repertoires in pursuit of a proactive foreign policy that enables it to punch above its weight and to expand its agency within an increasingly fragmented Eurasian order.

Bibliography

Al Arabiya, 2025, 3 June, 'Azerbaijan's quiet diplomacy between Turkey and Israel'.

APA, 2025, 23 April, 'Azerbaijan and China sign Joint Statement on establishment of comprehensive strategic partnership'. *APA News Service*.

Armenpress, 2025, 13 March, 'Pashinyan presents final two agreed-upon provisions of peace treaty'.

Asgarov, Sirus, 2024, 'Influence and Norm Entrepreneurship: Azerbaijan's Strategic Deployment of Soft Power', *International Journal of Political Studies*, 10(1), pp. 31-46.

Asia News Monitor, 2025, 16 October, 'Iran, Russia, Azerbaijan Reach Agreement on Cargo Transit'.

Aydın, Mustafa, 2021, 'Middle powers and the liberal international order: A critical reassessment', *International Politics*, 58(3), pp. 412-430.

Aydın-Düzgit, Senem, 2023, 'Authoritarian middle powers and the liberal international order', *International Affairs*, 99(3), pp. 1037-1055.

Azernews, 2026, 5 February, 'Non-Aligned Movement Youth Week Held in Baku'.

Baku Network, 2025, 24 September; 'Baku Means Business: Azerbaijan's Bold Move in Africa'.

BIG (Baku Initiative Group), 2024, *New Caledonia: Colonial Legacy, Struggle for Self-Determination, and the 2024 Crisis*, Baku: Baku Initiative Group.

BIG (Baku Initiative Group), n.d., 'Human Rights, Baku Initiative Group', Baku Initiative Group (www.bakuinitiative.org/en/page/human-rights).

Butun, Kanyshai, 2026, 27 January, 'Azerbaijan sends electrical equipment to Ukraine as humanitarian aid amid power grid crisis', *Anadolu Ajansi*.

Castro, Natalia, 2026, 23 January, 'Azerbaijan as a Middle-Power. The Policy of Bridge-Building and Strategic balance in the Caspian Sea', *Politicon*.

Ceccorulli, Michela, Carlo Frappi, & Sonia Lucarelli, 2016, 'On regional security governance once again: How analysis of the Southern Caucasus can advance the concept', *European Security*, 25(2), pp. 183-200.

Cooper, Andrew, Richard Higgott, & Kim Richard Nossal, 1993, *Relocating middle powers: Australia and Canada in a changing world order*, Vancouver: University of British Columbia Press.

Cutler, Robert, 2025, 17 November, 'Azerbaijan Joins Central Asia to Build a C6 Corridor Core', *The Times of Central Asia*.

Delcour, Laure, & Katarzyna Wolczuk, 2021, 'Mind the gap: Role expectations and perceived performance of the EU in the South Caucasus', *Eurasian Geography and Economics*, 62(2), pp. 156-177.

Della Malva, Mirko, 2025, 'Una riforma costituzionale per ottenere la pace? La tensione tra ordinamento costituzionale e «diplomazia coercitiva» nel conflitto armeno azero sul Nagorno Karabakh', *Nuovi Autoritarismi e Democrazie: Diritto, Istituzioni e Società*, 7 (2), pp. 236-250.

DoS (United States Department of State), 2025a, 8 August, *Memorandum of Understanding between the Government of the United States of America and the Government of the Republic of Azerbaijan regarding the establishment of a Strategic Working Group to develop a Charter on Strategic Partnership between the United States of America and the Republic of Azerbaijan*.

DoS (United States Department of State), 2025b, 8 August, *Joint Declaration by the President of the Republic of Azerbaijan and the Prime Minister of the Republic of Ar-*

menia on the outcomes of their meeting in Washington D.C., United States of America, Washington.
Drost, Niel, Giulia Cretti, & Babette van Giersbergen, 2025, 'Central Asia emerging from the shadows. European Union – Central Asia relations in evolving Eurasian geopolitics', Clingendael Report.
Dubow, Ben, 2024, 22 May, 'New Caledonia Riots: The Azerbaijan Factor', *The Diplomat*.
Dunlap, Charles, 2008, 'Lawfare Today: A Perspective', *Yale Journal of International Affairs*, 3, pp. 146-154.
Eichner, Itamar, 2025, 14 April, 'Mediator in the middle: Azerbaijan's role in fragile Israel-Turkey dialogue', *Ynetnews*.
European Parliament, 2024, 24 October, 'Situation in Azerbaijan, violation of human rights and international law and relations with Armenia', P10_TA(2024)0029, Strasbourg: European Parliament.
European Parliament, 2024, 19 December, 'Continued repression of civil society and independent media in Azerbaijan and the cases of Dr Gubad Ibadoghlu, Anar Mammadli, Kamran Mammadli, Rufat Safarov and Meydan TV', P10_TA(2024)0074, Strasbourg: European Parliament.
European Parliament, 2025, 13 March, 'Unlawful detention and sham trials of Armenian hostages, including high-ranking political representatives from Nagorno-Karabakh, by Azerbaijan', P10_TA(2025)0038, Strasbourg: European Parliament.
European Parliament, 2025, 18 December, 'Arbitrary arrest and sentencing of academics Bahruz Samadov and Igbal Abilov in Azerbaijan', P10_TA(2025)0339, Strasbourg: European Parliament.
Evans, Gareth, & Bruce Grant, 1991, *Australia's Foreign Relations in the World of the 1990s*, Melbourne: Melbourne University Press.
Frappi, Carlo, 2019, 'Diplomazia creativa al servizio di strategie di nicchia di una piccola potenza', in Giorgio Comai et al. (eds.), *Armenia, Caucaso e Asia Centrale. Ricerche 2019*, Venice: Ca' Foscari Editions, pp. 325-350.
Frappi, Carlo, 2022, 'Between Economic Benefits and Strategic Dividends. The "Middle Corridor" and Turkish-Azerbaijani Infrastructure Alliance', *Afriche e Orienti*, 25(1), pp. 77-98.
Garayeva, Ayan, Dzhamala Gashimova, Elchin Abbasov, Fatima Mammadova, & Laman Novruzzada, 2025, 'Global South: how Azerbaijan can benefit', Baku: Center of Analysis of International Relations.
German, Tracey, 2024, 'Russia's war on Ukraine, the EU, and its Eastern neighborhood: Layers of liminality', *Problems of Post-Communism*, 71(3), pp. 259-270.
Guliyev, Samir, 2025, 30 July, 'Step-by-step guide: How Russia is losing friends', *Caliber*.
Gurbanov, Yunis, 2026, 8 January, 'Why 2025 marked Azerbaijan's diplomatic breakthrough with the United States', *News.az*.
Hasanly, Sayad, 2025, 22 April, 'Azerbaijan to support African countries in climate diplomacy', *Report*.
Hayrapetyan, Tatevik, 2025, 27 May, 'Fairy Tales, Textbooks and Territorial Claims: Weaving the Myth of «Western Azerbaijan»', *EVN Report*.
Huseynov, Vasif, 2024, 16 October, 'Azerbaijan Applies for BRICS Membership', *Eurasia Daily Monitor*, 21(149).
Ibrahimov, Rovshan, 2024, 'Azerbaijan as an Emerging Middle Power after the 44-Day War and Reshaping the Foreign Policy', *Caucasus Strategic Perspectives*, 5(2), pp. 109-138.

Institute for Economics & Peace, 2026, 'The Great Fragmentation: The rise of Middle Powers in a fractured international order', Sydney: Institute for Economics & Peace.

Jafarova, Esmira, 2024, 'Is Azerbaijan a Middle Power?', *Caucasus Strategic Perspectives*, Special Issue 1(2024), pp. 11-29.

Jordaan, Eduard, 2003, 'The concept of a middle power in international relations: Distinguishing between emerging and traditional middle powers', *Politikon: South African Journal of Political Studies*, 30(2), pp. 165-181.

Jordaan, Eduard, 2017, 'The emerging middle power concept: Time to say goodbye?', *South African Journal of International Affairs*, 24(3), pp. 395-412.

Kennedy, Charles, 2025, 11 August, 'Azerbaijan Orders Emergency Aid to Ukraine After SOCAR Drone Strike', *Oilprice*.

Khanin, Vladimir, 2024, 24 July, 'Azerbaijan as a mediator: Baku's new role in the geopolitics of the Greater Middle East', Begin-Sadat Center for Strategic Studies.

Khanin, Vladimir, 2025, 21 November, 'Azerbaijan, Kazakhstan and the Abrahamic Accord 2.0', Begin-Sadat Center for Strategic Studies.

Kitachaev, Bashir, 2025, 7 July, 'Why Is Azerbaijan Ramping Up Tensions With Russia?', Carnegie Endowment for International Peace.

Mahammadova, Aytaj, & Vusal Guliyev, 2025, 'Emerging Azerbaijan-Africa Relations in the Context of South-South Cooperation', Center of Analysis of International Relations, Analysis, September.

Mammadov, Ingilab, 2024, 18 July, 'Azerbaijan files application for observer country status in SCO', *Trend*.

MFA (Ministry of Foreign Affairs of the Republic of Azerbaijan), 2024, 25 October, *Press release on summoning of Peter Michalko, Head of the European Union Delegation to the Republic of Azerbaijan, to the Ministry of Foreign Affairs*.

MoE (Ministry of Economy of the Republic of Azerbaijan), 2025, 21 July, 'Azerbaijan participates in international exhibitions held in China', (www.economy.gov.az/en/post/2835/azerbaycan-cinde-kecirilmis-beynelxalq-sergilerde-istirak-edib).

Moeini, Seyed Hossein, Bas Hooijmaaijers, & Kristin Haugevik, 2022, 'Revisionist middle powers and the liberal international order', *Third World Quarterly*, 43(12), pp. 2806-2823.

News.az, 2026, 22 January, 'Azerbaijan, Shanghai Cooperation Organization mull prospects for cooperation'.

Non-Aligned Movement Parliamentary Network, 2025, 6 April, 'Fourth Conference of the NAM Parliamentary Network Held in Tashkent' (www.nam-pn.org/fourth-conference-of-the-nam-pn).

OECD (Organisation for Economic Co-operation and Development), 2025, 11 June, 'Development Co-operation Profiles: Azerbaijan' (www.oecd.org/en/publications/development-co-operation-profiles_04b376d7-en/azerbaijan_e374e6c9-en.html).

Öniş, Ziya, & Mustafa Kutlay, 2021, 'Unusual middle powers: The case of Turkey', *Third World Quarterly*, 42(7), pp. 1525-1543.

OSCE (Organization for Security and Co-operation in Europe), 2025, 1 September, *Organization OSCE Ministerial Council decision marks new step towards sustainable peace in the South Caucasus*, Press Release.

Ostiller, Nate, 2025, 10 October, 'Have Russia and Azerbaijan buried the hatchet?', *OC Media*.

PRA (President of the Republic of Azerbaijan), 2023, 5 July, *Speech by Ilham Aliyev at the Ministerial Meeting of NAM Coordinating Bureau*.
PRA (President of the Republic of Azerbaijan), 2024, 1 February, *İlham Əliyev Parlamentlərarası İttifaqın Baş katibini qəbul edib* (Ilham Aliyev has received the Secretary General of the Inter-Parliamentary Union).
PRA (President of the Republic of Azerbaijan), 2024, 2 April, *Prezidentin Mətbuat Xidməti AZƏRTAC-ın sualını cavablandırıb* (The President's Press Service answered a question from AZERTAC).
PRA (President of the Republic of Azerbaijan), 2024, 13 November, *Speech by Ilham Aliyev at the Leaders' Summit of the Small Islands Developing States on Climate Change*'.
PRA (President of the Republic of Azerbaijan), 2024, 18 December, *İlham Əliyev "Rossiya Seqodnya" Beynəlxalq İnformasiya Agentliyinin Baş direktoru Dmitri Kiselyova müsahibə verib* (Ilham Aliyev gave an interview to Dmitry Kiselev, Director of 'Rossiya Segodnya' International News Agency).
PRA (President of the Republic of Azerbaijan), 2025, 7 January, *İlham Əliyev yerli televiziya kanallarına müsahibə verib* (Ilham Aliyev gave an interview to local television channels).
PRA (President of the Republic of Azerbaijan), 2025, 9 April, *International Forum themed "Facing the New World Order" was held at ADA University with participation of Ilham Aliyev*.
PRA (President of the Republic of Azerbaijan), 2025, 21 May, , 'To the participants of the international conference on «Return to Western Azerbaijan as an Essential Condition for the Supremacy of Human Rights»'.
Rahimli, Mehriban, 2025, 7 July, 'Azerbaijan and Russia Face Off Over Arrests – and More?', German Marshall Fund of the United States.
Report, 2025, 26 July, 'Hikmat Hajiyev: Azerbaijan ready to host Russia-Ukraine talks in Baku if both sides agree'.
Report, 2025, 1 September, 'SCO countries decide to create single status of SCO partner; Azerbaijan seeks upgraded status'.
Reuters, 2024, 17 April, 'Russian peacekeepers begin early withdrawal from Nagorno-Karabakh'.
Reuters, 2024, 13 June, 'EU, Ukraine ask Azerbaijan to facilitate Russian gas transit, says official'.
Reuters, 2025, 10 April, 'Turkey, Israel hold talks in Azerbaijan to avoid clashes in Syria'.
Robertson, Jeffrey, 2017, 'Middle-power definitions: Confusion reigns supreme', *Australian Journal of International Affairs*, 71(4), pp. 355-370.
Sahakyan, Mher, 2026, 'Rebuilding Eurasian Interconnectivity: China-Central Asia–West Asia Economic Corridor', in Mher Sahakyan & Kevin Lo (eds.), *Routledge Handbook of China's Belt and Road Initiative in Eurasia*, Abington and New York: Routledge, pp. 21-45.
Simão, Licínia, 2018, *The EU's neighbourhood policy towards the South Caucasus: Expanding the European security community*, Cham: Springer.
Times of Israel, 2025, 10 April, 'Israel confirms talks with Turkey in Azerbaijan, lays out its red line in Syria'.
Times of Israel, 2025, 3 June, 'Azerbaijan engaged in quiet diplomacy between Turkey and Israel to defuse Syria tensions'.
TURKPA, 2025, 6 April, 'TURKPA Participated in the 4th Conference of the NAM Parliamentary Network', (https://turkpa.org/news/1801-turkpa-participated-in-the-4th-conference-of-the-nam-pn).

Tyushka, Andriy, 2025, 'Perks and perils of «geostrategic inbetweenness»: The EU-Russia great power competition in the «[un]common neighbourhood» and foreign policy choices of states caught in-between', *European Security*, 34(4), pp. 553-577.

Tyushka, Andriy, & Tracey German, 2025a 'Eastern Europe post-February 2022 – Embracing geostrategic "in-betweenness" or bracing against it?', *European Security*, 34(4), pp. 692-702.

Tyushka, Andriy, & Tracey German, 2025b, 'Geostrategic «inbetweenness» as a [mis] fortune of Eastern European neighbours of Russia and the European Union', *European Security*, 34(4), pp. 519-536.

Uraz, Onur, 2025, 'The Growing Role of the International Court of Justice as a Forum for Lawfare', Athena, 5(1), pp. 56-113.

Van Gils, Eske, 2017, 'Differentiation through bargaining power in EU-Azerbaijan relations: Baku as a tough negotiator', *East European Politics*, 33(3), pp. 388-405.

Van Gils, Eske, 2018, 'Azerbaijan's Foreign Policy Strategies and the European Union: Successful Resistance and Pursued Influence', *Europe-Asia Studies*, 70(5), pp. 738-758.

Yagubova, Inara, 2025, 'Azerbaijan's Expanding Role in Regional Mediation', Institute for Development and Diplomacy, Analytical Policy Brief.

SPECIAL ARTICLE

Naval Hegemony and Deterrence: Aircraft carrier strategies and power projection in Asian waters

David Scott

Center for International Maritime Security (CIMSEC)
davidscott366@outlook.com

Aircraft carriers continued at the apex of states' maritime surface strength strategies in 2025, for national prestige, power projection, to deter and threaten, to cooperate and coerce. Maritime competition was evident during 2025 around maritime Asia, through the aircraft carrier strategy pursued by China and the response to this by India and Japan, as buttressed by their cooperation with the carrier deployments by France, the UK and the US. Part of this competition is demonstrated by the various carrier construction and carrier-conversion programmes being pursued around maritime Asia. Part of this competition was also on show with aircraft carrier deployments. With regard to China this is on show with its increasing range of carrier deployments and increasing stranglehold on Taiwan. With regard to India and Japan, but also the US, UK and France, their carrier deployments show not only a focus on maritime Asia but also a criss-cross flexible geometry of mutual carrier-support and cooperation. This reflects the wider maritime balancing taking shape towards China.

Keywords – Asia; geopolitics; maritime; naval; aircraft carriers.

1. *Introduction*

Across maritime Asia, aircraft carriers continued to dominate maritime security and maritime strategies during 2025. Aircraft carriers, and their Carrier Strike Groups (CSGs), remained at the apex of maritime surface strength, as a matter of national prestige, in construction and deployment. Despite the rival merits of submarines, and the carrier vulnerability posed by anti-ship missiles, aircraft carriers demonstrated an enduring military utility across Asian waters, and highly visible signalling devices for adversaries and allies. Their mobility made them particularly suitable for power projection across maritime Asia, bringing airforce capability to bear without the need for land bases, able to deter, threaten and coerce, and also able to cooperate with other navies in exercises and naval diplomacy. Aircraft carriers both reflected and affected wider regional order. Carrier technology

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

continued to develop. Aircraft carriers range from super to heavy, medium, and light tonnage, manned air-wings have been supplemented by drones, and Landing Platform Docks (LPDs) have emerged, able to carry manned planes, helicopters and Unmanned Aerial Vehicles (UAVs), i.e. drones.

During 2025, only six states operated aircraft carriers in maritime Asia; namely France, the UK and the US, who deployed aircraft carriers across the Indo-Pacific, the underbelly of Asia; as well as resident powers China, India, and Japan, who were locked into regional carrier competition.

The political context was threefold. First, the still-troubled waters of the Red Sea, where the Houthis continued to threaten shipping for much of the year, until announcing their halt in November, following the fragile Gaza cease-fire agreement made in September. Second was India-Pakistan friction. Third, and perhaps most significantly, was China's growing naval shadow in East Asia and the South China Sea, increasingly threatening Taiwan, effecting and affecting the wider maritime competition

2. *Europe*

Carrier-deployments by France and the UK across maritime Asia in 2025 reflected the European Carrier Group Interoperability Initiative (ECGII) «sequencing of more persistent European carrier strike group presence in the Indo-Pacific» [Government of the UK. Prime Minister's Office 2023, 10 March]. In this vein, the preceding Italian CSG deployment in the second half of 2024 was followed by French CSG deployment in the first half of 2025 and UK deployment in the second half of 2025. National prestige with blue water naval power projection was on show by France and the UK, as well as signalling of their tacit balancing with other China-concerned states. Like Italy in the previous year, in each case France and the UK conducted exercises with India on both outward and return legs across the Indian Ocean; and like Italy, neither the French nor UK CSGs conducted any exercises with China in East Asian waters. However, they did conduct particularly pointed exercises with the US and Japan across these waters.

France's carrier strike Group (CSG), a powerful seven-ship group, led by the *Charles de Gaulle* aircraft carrier commanded by Rear Admiral Jacques Mallard, and carrying 22 Rafale Ms, transited the Suez Canal on 24 December 2024 and returned on 10 April 2025. Various exercises were carried out with friendly countries as a very deliberate «strategic signal» [Mallard 2025]. Initially this was with India in January 2025. This was followed by the *La Perouse* exercise in mid-January, in which the French CSG led substantive maritime security and cooperation drills with the Indian, Australian, Canadian, UK and US navies. In addition to these established partners and allies, Indonesia, Malaysia, and Singapore participated in *La Perouse* for the first time. The next major event for the French deployment was participation in

the inaugural *Pacific Steller 2025*, a tri-carrier event in the Philippine Sea, in which the French CSG was joined by the Japan's carrier JS *Kaga* and the US carrier USS *Carl Vinson*, and their CSGs. It came to light after the deployment was finished that, as the French CSG transited the Luzon Strait, a Chinese frigate followed and closely monitored the CSG [Manaranche 2025, 7 July]. The final substantive operation for *Operation Clemenceau* was the bilateral *Varuna* carrier-to-carrier exercise with India's INS *Vikrant* in March.

Similar signalling to adversaries and allies was on show with the UK deployment, *Operation Highmast*, which went across maritime Asia from the Eastern Mediterranean to the Sea of Japan. High profile public stops in Singapore and Tokyo were interspersed with substantive carrier-to-carrier exercising by the *Prince of Wales* with US (Timor Sea, July), US and Japan (North Philippine Sea, August), Japan (Sea of Japan, September) and India (Arabian Sea, October) carrier counterparts. In another first, the *Prince of Wales* led the *Bersama Lima* exercise, reinforcing regional security arrangements, bringing together the navies from the UK, Australia, New Zealand, Malaysia and Singapore in the Five Powers Defence Force Arrangement (FPDFA). Allied interoperability was enhanced with F-35Bs from the *Prince of Wales* engaging in trilateral exercises with US and Japanese planes east of the Okinawa chain in September, while the *Prince of Wales* bilaterally exercised with Japan's carrier JS *Kaga*. In terms of wider European involvement, Norway's HNoMS *Roald Amundsen* stayed with the British CSG from start to finish, while Spain's frigate ESPS *Méndez Núñez* joined the CSG from the Mediterranean across the Indian Ocean.

3. *The United States*

For the US, in the Indo-Pacific «in 2025, aircraft carriers remain the indispensable backbone of its operational prowess» [Henry 2025, 2 September]. Five aircraft carriers (out of a total strength of 11), with supporting CSGs, were deployed at various times across maritime Asia during 2025: namely USS *George Washington*, USS *Carl Vinson*, USS *Nimitz*, USS *George Washington* and USS *Abraham Lincoln*. At times their focus was on West Asia (especially the Red Sea), coercive power with the Houthis and Iran in mind, and at other times their focus was on East Asia (especially the South China Sea) with competition with China very much in mind. Deployments were thus made between East Asia and West Asia, with further juggling through Caribbean commitments in late 2025. US carrier presence in maritime Asia was also supported by its *America*-class amphibious carriers, USS *America* and USS *Tripoli*, which carry F-35Bs, and are able to operate as medium-size aircraft carriers, with just over 45,000 ton displacement.

The *Harry S. Truman* started the year three months into an eight-month deployment to the Red Sea. Under attack from Houthi missiles in

March 2025, it played a central role in *Operation Rough Rider*, launching numerous air sorties against the Houthi infrastructure and leadership in Yemen. It returned home in June, amid some embarrassment. In mid-February 2025 a collision between the *Harry S. Truman* and a Panamanian merchant ship near Port Said led to the dismissal of the *Harry S. Truman*'s commander Captain Dave Snowden, in late-April a Super Tornado fell into the sea while being towed inside the carrier hangar, and in early-May, a Super Hornet attempting to land plunged overboard when an arresting cable snapped.

The *Carl Vinson* had been deployed out from San Diego in November 2024 for a regular West Pacific tour, operating in the South China Sea from December-January 2025, including exercising with the Philippine navy in January. The *Carl Vinson* CSG participated in the *Pacific Steller* exercise in February, along with a French CSG and Japan's carrier JS Kaga, inter-allied cooperation to the fore. March had the *Carl Vinson* CSG operating in the Sea of Japan, where it was buzzed by a Chinese reconnaissance plane, involving mutual signalling between the two sides, before the Chinese plane was in turn escorted away by two fighters from the aircraft carrier. Next, the *Carl Vinson* moved into the East China Sea for trilateral drills with Japan and South Korea, again representing Allied cooperation. In April the CSG was re-deployed from USINDOPACOM to CENTCOM, over to the Arabian Sea to join in the ongoing *Operation Rough Rider*, involving coercion against Iran. The *Carl Vinson* CSG left the Arabian Sea in mid-July, returning to the Pacific via the Indian Ocean and South China Sea. Its final exercising was in *Northern Edge*, along with USS *Abraham Lincoln*.

The Nimitz's departure in March from San Diego followed the reassignment of the USS Carl Vinson to the Middle East. The *Nimitz*'s first port of call was Guam in April. Drills were conducted with the Japanese navy in the Philippine Sea, and around the Malacca Strait in May. However, amidst the escalating air war between Israel and Iran, a planned visit to Vietnam by the *Nimitz* in June was cancelled. Instead the CSG was re-deployed to the Arabian Sea, arriving the same day that the US struck three Iranian nuclear sites as part of *Operation Midnight Hammer*. In August the *Nimitz* Carrier Group visited Bahrain, home of the US Naval Support Activity base. After three months deployment in the Arabian Sea, the *Nimitz* returned to the South China Sea, albeit accidently losing a fighter jet and a helicopter in October. US teams were sent to recover the sensitive technology from the seabed before China could get to it, and they successfully concluded their recovery operations in early-December [Tiwari 2025, 9 December]. In November the *Nimitz* departed the South China Sea for its home port, after a trilateral exercise near Scarborough Shoal with Japanese and Philippine warships, which attracted overflights by Chinese bombers and protests from Beijing, with mutual signalling in play again. The *Nimitz* left Pearl Harbor at the start of December, reaching Seattle on 16 December; it is now set for decommissioning, originally set for April 2025 but subsequently extended by 12 months until May 2026.

The *George Washington* had returned to Japan in November 2024, after a lengthy mid-cycle refitting as the permanently forward-deployed carrier (replacing USS *Ronald Reagan*). This was the first operational deployment for the F-35C with the embarked Carrier Air Wing 5, signalling a «new era of Navy fifth-generation air power permanently stationed» [Wilson 2025, 11 December], showing capabilities signalling to the region. A lengthy six-month deployment took place from June-December 2025. Having called at Guam, patrol duties in the South China Sea were followed by a friendly port call in the Philippine in July, which was immediately denounced by China [Feng 2025, 4 July]. Allied cooperation was on show during the year as the *George Washington* carried out carrier-to-carrier exercises with the UK's *Prince of Wales* CSG in the Timor Sea in July, followed by participation in the large multilateral exercises *Talisman Sabre* in early-August. From Northern Australia, the *George Washington* CSG then went to Guam later in August. Trilateral carrier exercising was on show in the Philippine Sea in August as the *George Washington* exercised with the UK's *Prince of Wales* and Japan's *JS Kaga*. In the fall of 2025, the *George Washington* participated in U.S. Indo-Pacific Command joint exercise *Northern Edge*, in the Gulf of Alaska, now equipped with the new AIM-1174B missile. In November it conducted a four-day Carrier Strike Group Exercise (CSGEX) with the South Korean navy. The *George Washington* then entered the South China Sea by the Luzon Strait, replacing the *Nimitz*. The start of December saw the *George Washington*'s second visit to Guam. Next, the aircraft carrier conducted an information-sharing drill off the Kanto coast with the Japanese destroyer, JS *Akizuki*. By mid-December it was back in Yokosuka.

Homeported at San Diego, the *Abraham Lincoln* CSG participated in the *Northern Edge* exercise in August in the Gulf of Alaska. It was quietly deployed from San Diego in November. Reaching Guam in mid-December, it then operated in the Philippine Sea.

On the LPD front, USS *America* participated in the *Talisman Sabre* exercise, including launching F-35Bs, in the Coral Sea. It then joined the triple carrier (USS *George Washington*, HMS *Prince of Wales*, JS *Kaga*) exercise in the Philippine Sea in August, with F-35B cross-decking flying from the *America* to the *Prince of Wales*. Having been deployed for six years in the region, the *America* was replaced by the USS *Tripoli*, which arrived at Sasebo in June. The *Tripoli* visited Da Nang in December, having carried out F-35B flight operations over the South China Sea [Chan 2025, 10 December], signalling operations to China.

4. *India*

India's carrier profile entered 2025 with a two-carrier Navy, based on INS *Vikramaditya*, the refurbished and modernized ex-Soviet ship the *Admiral Gorshkov*, and its own indigenously-built carrier INS *Vikrant*. These two car-

riers, with battle groups, are indeed the «backbone of India's Blue Water Strategy» [Mann 2025, 26 May]. However, following its carrier-to-carrier exercise with Italy's ITS *Cavour* in October 2024, the *Vikramaditya* retired for the duration of 2025 for a scheduled modernization refit. India's carrier operations in 2025 thus centered on INS *Vikrant*, India's indigenously-built aircraft carrier, and very much a national prestige vessel.

Cooperation with allies (and tacit counter-balancing signalling to China) was on show in February, when INS *Vikrant* engaged in a carrier-to-carrier *Varuna Exercise* with Frances *Charles de Gaulle* CSG, which is useful as the *Charles de Gaulle* is equipped with Rafale M aircraft that India is seeking for its aircraft carriers. Indeed, in April, India signed a deal with France for 26 Rafale-Marine 4.5 Generation fighters, made by Dassault, to be deployed on its two carriers by 2030. The Ministry of Defence announced it as an «addition of a potent force multiplier to the Indian Navy's aircraft carriers, substantially boosting the nation's air power at sea» [Government of India. Ministry of Defence 2025, 28 April; Asthana 2025, 30 April]. The official Press Information Bureau emphasized «the strategic importance for India» of the deal, in which «the introduction of the Rafale-Marine will significantly bolster the Indian Navy's operational capabilities, particularly in the Indian Ocean region» [Government of India. Press Information Bureau, 2025, 29 April]. The deal was considered in India as one which «targets China, Pakistan maritime challenges» (Kathju 2025, 29 April; Vinod 2025, 10 April]. It was also seen, in India, as superior to the J-15s carried on Chinese aircraft carriers [Kunde 2025, 10 January].

INS *Vikrant* played a leading role in India's confrontation with Pakistan in the Spring. Following the Pahalgam massacres in April 22, India launched air strikes from land during May under *Operation Sindoor*. However, the Navy had already been dispatched to the Arabian Sea during April for coercive deterrence. Vice-Admiral Pramod, Director Naval Operations, described how:

> The Indian Navy's Carrier battle group, surface forces, submarines and aviation assets were immediately deployed at sea with full combat readiness. We tested and refined tactics and procedures at sea during multiple weapons firing in the Arabian Sea within 96 hours of the terrorist attack. Our forces remained forward deployed in the Northern Arabian Sea in a decisive and deterrent posture with full readiness and capacity to strike select targets at sea and on land, including Karachi, at a time of our choosing. As we speak, the Indian Navy remains deployed at sea in a credible deterrent posture to respond decisively to any inimical action by Pakistan [Times of India 2025, 12 May]

The Indian media was certainly satisfied with headlines like «INS Vikrant: A floating fortress that gives India decisive edge against Pakistan navy» [Zee Media Bureau 2025, 9 May]; and «Silent but supreme: How INS

Vikrant caged Pakistani Jets during Operation Sindoor and reaffirmed Indian Navy's dominance in Arabian Sea» [OpIndia Staff 2025, 12 May].

Six months later and Prime Minister Modi celebrated Diwali, and national prestige, on INS *Vikrant* in October, ready to extol the prowess of the aircraft carrier:

> I have this giant, INS Vikrant, embodying infinite powers. Vikrant is vast, grand, awe-inspiring…. Our INS Vikrant today is a powerful symbol of 'Aatmanirbhar Bharat' (self-reliant India) and 'Made in India'. Cutting through the ocean, the indigenous INS Vikrant reflects Bharat's military strength. Just a few months ago, we saw how even the very name of Vikrant sent shockwaves through Pakistan, stealing their sleep at night. Such is INS Vikrant, a name that alone can crush the enemy's courage. That is INS Vikrant! That is INS Vikrant! That is INS Vikrant! [Government of India. Prime Minister of India 2025, 20 October]

The Government argued, looking back on the year, that the *Vikrant* CSG played «a key role in strategy of compellence, thereby forcing Pakistan Navy to be in defensive posture and requesting for urgent ceasefire» [Government of India. Press Information Bureau 2025, 24 October].

India is seeking to increase its surface fleet. Contracts were agreed in October for Mazagon Dock Shipbuilders and Swan Defence and Heavy Industries Limited to partner for the LPD project of the Indian Navy. The agreement includes both design and construction of four 30,000-ton vessels. The first vessel built should be ready for delivery within 60 months of the contract being signed, while the remaining three should be delivered at one-year intervals. The role of the vessels includes the operating bases for fixed-wing naval drones, in effect drone-carriers [Admin 2025, 24 September]. However, commissioning of China's third aircraft carrier, the *Fujian* was greeted with palpable concern in India over an emerging «carrier gap» [Bedi 2025, 10 November; Kumar 2025, 7 November; Singh 2025, 11 November]. Now overtaken by China in aircraft carrier numbers, India sought to further strengthen its two carriers' assets and punch power. In November, it was confirmed that *Abhimanyu* drones would be joining the air-wings on both of the carriers, a force multiplier [Baidya 2025, 5 November]; and that India was «accelerating» plans to equip its existing MiG-29 and new Rafale M fighters with 160km+ range Astra Mk2 Air-to-Air Missiles to combat China's PL-15 long-range missile used by Pakistan [Patel 2025, 13 November].

5. *China*

China entered the year as a two-carrier navy, in which the old ex-Soviet *Admiral Gorshkov*, modified as the *Liaoning*, had been joined by the *Shandong*,

China's first indigenously-designed aircraft carrier. Both carry the J-15s, reverse-engineered copies of the old Soviet-period SU-33, first unveiled in 1987. What was significant during 2025 were their blue water operations beyond Japan and participation in Taiwan-blockade exercises, preparation, threat and coercion on show. By the end of the year, as a matter of great national prestige, they had been joined by a third aircraft carrier, the *Fujian*.

The *Shangdong* was deployed east of Taiwan in March, as part of the *Strait Thunder 2025* exercise. The significant was two-fold. First, it was blue water power projection beyond the so-called «first island chain». Second, it was coercive, testing «cutting communications» between Taiwan and the outside world, especially its allies, in the event of a Chinese invasion of Taiwan [Guo and Liu 2025, 2 April]. The *Shandong* then carried out drills in the *South China Sea* in early April.

The next significant moment was the simultaneous two-carrier deployment of the *Laioning* and the *Shandong*, and CSGs, east of Japan – a first time event for them in those waters. This was described in the Chinese media as a «'train-as-you-fight' test beyond island chains» [Zheng 2025, 17 November]. The *Liaoning* passed through the Miyako Strait (Ryukyu/«first island chain»), and engaged in drills south-east of Japan. The *Shandong* went further east, south of the Bonin Islands, beyond the «second island chain» to approach the Japan's easternmost island of Minamitori/Marcus Island from the south-west on 7 June. An element of coercive signalling to Japan was present. This eastern outreach by the *Shandong* was considered in the Chinese media as «a bridge to a blue-water future» and very much «an instrument of Beijing's long-range power projection past the first island chain» [Choi 2025, 3 July]

The *Shandong*'s arrival, with supporting fleet (the guided missile destroyers *Yan'an* and *Zhanjiang*, and the guided missile frigate *Yuncheng*), in Hong Kong in early July was a deliberate internal [Global Times 2025, 4 July] and external [Liu and Guo 2025, 3 July] show of might.

A further notch up in Chinese carrier-strength was seen in August with the commissioning of its fourth Type 075 amphibious assault ship (LPD), the *Hubei* (c. 36,000 ton displacement), operating as a helicopter carrier, which was immediately deployed with its sister-ship the *Hainan* in the South China Sea. A further carrier was unveiled in November with the successful sea-trials of China's new Type 076 assault ship the *Sichuan*. The vessel includes electromagnetic catapult and arrestor technology for mixed fixed-wing operations (drones and manned fighters], its 40-50,000 ton displacement «granting it the capabilities of a light aircraft carrier» [Cao and Liu 2025, 12 December].

Much anticipation had surrounded the progress of China's third aircraft carrier, the *Fujian*, highly anticipated as a national prestige achievement of the first order taking China «into the deep-blue era» in «a pivotal milestone in the history of Chinese aircraft carriers» [Song 2025, 25 Sep-

tember]. China's first aircraft carrier, the *Liaoning*, was Soviet made and its second, the *Shandong*, was built in China but based on the Soviet model. Both use older-style ski-jump type systems to help planes take flight. At the end of the year, the Chinese state media made a point of parading the «burst power» employed on the *Fujian* skips past the steam catapult technology used on most American carriers to employ an electromagnetic launch system (EMAL) found only on the latest US Navy *Ford*-class nuclear super carriers, with planes able to launch at faster speeds and carry heavier payloads [Liu 2025, 25 December]. In its sea trials in September, China simultaneously debuted its J-35 stealth fighter, improved J-15T fighter and KJ-600 radar plane operating from the *Fujian*, a «stunning leap forward» in China's aircraft carrier capability [Newdick 2025, 22 September].

China's state media was jubilant in November, with the commissioning of the *Fujian* at Sanya, Hainan Island, the headquarters of the Southern Command, facing down into the South China Sea:

> The arrival of the «three-carrier era» signifies that the PLA Navy possesses an all-weather, long-range strike and defense combat system that can be deployed in rotation. It also marks a shift in the PLA Navy's strategy from coastal defense to far seas defense, which has a profound impact on reshaping the world's maritime power structure. No hegemony or pressure can stop China's march toward becoming a maritime power. [Global Times 2025, 8 November]

The *Fujian*'s threat was immediately noted, with concerns, in the US [Shepheres and Valino 2025, 14 November], Japan [Arimoto 2025, 17 December] and India [Kumar 2025, 7 November].

Very quickly, the *Fujian* was then deployed into the South China Sea, in mid-November, along with the guided missile destroyer *Yan'an*, and the guided missile frigate *Tongliao* for «live force» training. The *Shandong* was reported nearby. This was regional signalling to other littoral states. Varied types of aircraft, including the J-35 stealth fighter jets, J-15T heavy fighter jets, J-15DT electronic warfare aircraft, and KJ-600 early warning aircraft, completed multiple takeoff and landing training sessions on the *Fujian*.

By then, a week after *Fujian*'s commissioning, firm news had emerged on China's start of construction of a new supercarrier, another milestone in national prestige and potential power projection capabilities, a «100,000-ton game-changer» for Indo-Pacific operations, with a reactor containment structure being installed for a nuclear-powered aircraft carrier [Defence Security Asia 2025, 13 November; Weichert 2025, 27 December].

In early-December, the *Liaoning* (accompanied by the cruiser *Nanchang*, destroyers CNS *Xining* and *Kaifeng* and fast combat support ship CNS *Hulunhu*) deployed through the Miyako Strait, with Chinese analysts noting that «training in new locations can further boost its capabilities in the far seas» [Liu and Liang 2025, 8 December]. Immediate friction was present

as Japan accused Chinese planes of dangerous «radar illumination» carried out on monitoring Japanese plans. The CSG went over north and eastwards reaching 136 degrees east longitude, midway between the two island chains. The *Fujian* then transited the Taiwan Strait, to join the *Liaoning* at Qingdao, nestled side by side at the end of the year.

China ended the year with heavy coercive drill practices, *Justice Mission 2025*, through 29 and 30 December in five blocks of seawater, closely surrounding Taiwan. Twenty ships participated, including the *Hainan* Type 75 amphibious carrier «the PLA 'light carrier' key to Taiwan strategy» [Wang 2026, 19 January].

6. *Japan*

2025 was an important year for Japan, following the decision in 2018 to convert JS *Izumo* and JS *Kaga* from helicopter carrier status to full aircraft carrier status, in order to carry Fifth Generation F-35B attack jets. The increasing presence of China's aircraft carriers, particularly the simultaneous appearance of the *Liaoning* and *Shandong* in July, and the pace of China's carrier-building programme, has made Japan's own aircraft carrier conversion programme all the more pressing. It represents counter-balancing, or at least mitigation of China's emerging carrier programme.

JS *Izumo*, having completed the first part of its structural conversion, commenced the second part of the conversion, changing the trapezoidal shape of the bow to rectangular to make it easier for F-35 Bs to launch. This commenced in March 2025, with all modifications expected to be completed by early 2027. Attention focussed in 2025 upon JS *Kaga*. Its conversion and sea trials were completed with three months deployment to the US, from October-December 2024, where training flights of US F-35Bs were made from the Kaga. The JS *Kaga*, now 27,000 ton displacement, having completed its conversion and sea trials during 2024, has spent 2025 exercising with other F-35B-operating navies. All these exercises represent Allied cooperation, tacitly with China a common concern, and with interoperability sought with carrier-held F-35Bs operated by the US and UK.

The *Kaga* completed its first operational mission, sailing alongside US and French aircraft carriers in the Philippine Sea in February 2025 in the *Pacific Steller* exercises, signalling deterrence to China, and denounced in the Chinese state media [Chen 2025, 9 February]. In another powerful trilateral carrier operation, the *Kaga* (and JS *Akebono*) joined the USS *George Washington* and the HMS *Prince of Wales* CSGs in the North Philippine Sea in August, and was duly denounced in the Chinese state media [Liu and Liang 2025, 6 August]. Both US and UK F-35Bs took the opportunity to practice cross-deck flights to and from JS *Kaga*. The *Kaga* linked up again with the *Prince of Wales* CSG in the East China Sea in September. Bilateral exercising

and cross-deck activities from the *Prince of Wales*' F-35Bs and also Marines were on show. JS *Kaga* also helpfully refuelled HMS *Richmond* on 9 September, ahead of the *Richmond*'s transit of the Taiwan Strait. By end-September, the *Kaga* was in the *Nichi-Gou Trident* exercise with HMAS *Brisbane* in the West Pacific. JS *Kaga* passed another threshold in October in the *Annualex* with the US. First, the exercise was led by JS *Kaga*. Second, it was a broad-based exercise involving a range of US ships, namely the guided-missile destroyer USS *Shoup*, the guided missile cruiser USS *Robert Smalls*, dry cargo ships USNS *Amelia Earhart* and USNS *Wally Schirra*, and fleet replenishment oiler USNS *Tippecanoe* (T-AO 199). It also included aircraft from Australia, Canada, France and New Zealand, multilateral messaging and tacit counter-balancing to China. Thirdly, four US F-38bs practiced landing/taking off from JS *Kaga*, cementing its role as a functioning aircraft carrier [Atlamazoglou 2025, 21 November].

On the plane front, Japan envisages ordering 42 F-35Bs, 21 for each carrier. Three F-35B arrived in August, delayed from FY2024 due to software issues, which makes Japan the only US ally in the Indo-Pacific with fixed-wing carrier-based stealth aircraft. Their arrival was promptly denounced in the Chinese state media [Guo 2025, 8 August]. Training operations started in November, at Nyutabaru Air Base, which is also the headquarters of the 5th Air Force. Japan's decision to base its first F-35Bs at Nyutabaru Air Base was no accident. Located in Miyazaki Prefecture on Kyushu, it sits close to the Nansei (Southwest) Islands, a chain stretching toward Taiwan and including the disputed Senkaku Islands. Nearby, Mageshima Island, currently being developed as a dedicated F-35B training site, will support short takeoff and vertical landing drills. Once operational, it will host both Japanese and US forces for joint exercises. The significance of the F-35B's is they are superior to the J-15's carried on China's *Liaoning* and *Shandong*. A further five are expected by the end of Fiscal Year 2025, i.e. by March 2026. Equipping its warships with a 5th-generation stealth fighter is «a strategic leap for Japan, sliding the narrative in Tokyo from defence to offence. This isn't just a delivery; it's a turning point in how Japan projects military power» [Bailey 2025, 7 August]. Importantly, F-35B acquisition ensures full interoperability with the US Navy and Marine Corps, allowing for joint training and enhanced alliance coordination, as well as with the UK and Italian navies which also operate F-35Bs.

Japan continues to operate its two *Hyuga*-class helicopter carriers, the 19,000-ton displacement JS *Hyuga* and JS *Ise* with full flight decks, each able to carry 18 helicopters, as well as drones, and missile batteries. For Indo-Pacific Deployment (IPD25) from April to November, JS *Ise* led a powerful CSG, the destroyers JS Suzunami and JS *Akebono*, the amphibious ship JS *Ohsumi*, the frigate JS *Yahagi*, and supported by a submarine. The *Ise* participated in *Talisman Sabre* 2025 in July, in *Pacific Vanguard* 2025 from August-September followed by bilateral exercises with the USS *Higgins* around Guam. JS *Hyuga* participated in *Talisman Sabre* 2025 in July, in *Freedom Edge*

with South Korea and the US in September. November witnessed JS *Hyuga* leading the US, Australian and US ships in the *Malabar* exercise off Guam, which was denounced in the Chinese state media [Feng 2025, 7 November].

Japan was particularly concerned about dual-carrier deployment by China. This was first on show in June when with the deployment of China's *Liaoning* and *Shandong* was tracked through Japan's EEZ. Japan complained about Chinese carrier planes having come unusually close, to which the China's Ministry of Defence lodged a «stern protest» over how Japanese ships and aircraft «repeatedly approached and interfered, deliberately creating maritime and air safety risks» [Global Times 2025, 13 June].

The Chinese double deployment of the *Liaoning* and *Shandong* again to waters east of Japan in December, created further friction. The context was deterioration in Japan-China relations as China took offence over Japan's comments about possibly coming to Taiwan's aid in the event of invasion. The Chinese carriers were shadowed by JS *Teruzuki* and Japanese airforce planes, Tokyo complaining that «radar illumination» by aircraft from the *Liaoning* as «a dangerous act» [Government of Japan. Ministry of Defence 2025, 7 December]. Japan's justification was that:

> The scramble conducted by the Self-Defence Forces was both appropriate and necessary. Okinawa Island, Kitadaito Island, Minamidaito Island, and Okidaito Island are located near the waters in which Liaoning was operating. It is natural and imperative for the Ministry of Defence and JSDF, which are responsible for safeguarding Japan's territorial airspace and protecting the lives and property of the Japanese people, to appropriately conduct airspace intrusion countermeasures against carrier-based aircraft launched from Liaoning. [Government of Japan. Ministry of Defence 2025, 10 December]

China rejected the claims and instead complained of Japanese provocation and «harassment» [Global Times 2025, 7 December; Wang Qiang 2025, 8 December].

7. *Looking Forward*

As demonstrated, during 2025 issues of national prestige, power projection, and strategic messaging – be it of cooperation and support, or deterrence and coercion – were all in play with aircraft carrier constructions, augmentations and deployments. The biggest maritime issues remain around the response by the US, Japan and India to China's maritime carrier-led surge. In this vein, the Pentagon report to Congress *Military and Security Developments Involving the People's Republic of China* pinpointed China's intent to introduce six more aircraft carriers during the next decade. How does this impact on the US, India and Japan?

With regard to the US, the *John F. Kennedy*, the next more powerful *Gerald Ford*-class nuclear carrier, was originally envisaged for delivery by 2018. However, in June 2025, in the Fiscal *Year 2026 Budget Estimates* on the Carrier Replacement Program, the *John F. Kennedy*'s delivery date was shifted from July 2025 to March 2027 to support completion of its Advanced Arresting Gear (AAG) certification and continuing Advanced Weapons Elevator (AWE) work. This will result in a drop in carrier numbers during 2026. Put it another way, the 11-2 US carrier superiority over China at the start of 2025 will be replaced by a 10-3 superiority during 2026. More worryingly for the US, the annual Pentagon *China Military Power Report*, released in December, judged that China intended to build six more aircraft carriers during the next decade, a carrier every 20 months, giving it a force of nine aircraft carriers, facing between 11 and 12 US carriers, by 2035. Indeed, given US commitment elsewhere this would leave China with carrier superiority in the Pacific by 2035 [Moriyasu 2025, 30 December]. On the light aircraft carrier front, the Budget Estimates also announced that the next two *America*-class ships, the *Bougainville* and *Fallujah*, would be facing a one-year delay in construction and delivery due to shipyard labour challenges. *Bougainville* is currently being fitted out with decks specially strengthened for F-35B operations, but with its previous completion date of December 2025 now extended to August 2026.

With regard to India, uncertainties remained over its aircraft carrier program. The year started with its Ministry of Defence considering the approval given in September 2024 by the Defence Procurement Board for a conventional third aircraft carrier, an IAC-II that would be in the *Vikrant*-style, giving India a three-carrier fleet. By February 2025 there were reports this had been dropped. Instead the *Technology Vision and Capability Roadmap*, released in September 2025, outlined the next 15 years of modernizations. Carrier highlights included the construction of a nuclear-powered aircraft carrier with electromagnetic EMAL launch technology. On the one hand, this would replace INS *Vikramaditya*, whose notional life service runs to 2037 – leaving India still with a two-carrier fleet. On the other hand, this replacement will be bigger tonnage and size (carrying more planes) and more advanced (nuclear propulsion and EMAL launch systems) than the *Vikramaditya*. As such, it will jump past the China's *Fujian* (conventional propulsion plus EMAL launch system) to match both the US *Gerald Ford*-class aircraft carriers and China's envisaged 004 carrier which are/will be nuclear propulsion plus EMALs launch-fitted [Litnarovych 2025, 9 September]. Post-*Roadmap*, the Indian Navy renewed its push, for a conventional third aircraft carrier, an IAC-II that would be in the *Vikrant*-style but with UAV focus and design overhauls [Kunde 2025, 30 October]. In December, the year finished with the Navy Day Conference where the future of India's aircraft carrier fleet emerged as a major theme. Navy chief argued there that «our vision is still to have a three-carrier Navy – one on each coast and one in

reserve for maintenance and contingencies», and remained confident that the «requisite answers» would eventually align with India's strategic needs [Saxena 2025, 2 December].

In a final look forward, two sets of nested confrontations were evident at the end of 2025. One was the China-Japan, China-India and China-US naval rivalries. Second was China's increasing readiness to take out Taiwan, publicly announced for by 2027. Its aircraft carriers (*Liaoning*, *Shandong*, and *Fujian*) and LPD carriers (*Hainan* and *Hubei*) are already in position for 2026.

Bibliography

Admin, 2025, 24 September, 'The case for converting the Indian Navy's Planned LPDs into UAV Carriers for ISR and strike operations in the Indian Ocean', *Indian Defense Research Wing*.

Arimoto, Takashi, 2025, 17 December, 'JINF Report: Evidence points to China's first nuclear Aircraft Carrier', *Japan Forward*.

Asthana, Mukul, 2025, 30 April, 'Why induction of 26 new Rafale M aircraft matters for the Indian Nany', *Indian Express*.

Atlamazoglou, Stavros, 2025, 21 November, 'Japan's «Cruiser» becomes a Carrier as US F-35s Take Off', *National Interest*.

Baidya, Satyaki, 2025, 5 November, 'Indian Navy's «Abhimanyu» drone to join Carrier fleet by 2026 with AI, stealth, kill ability', *News18*.

Bailey, Joanna, 2025, 7 August, 'What Japan's F-35B deployment says about its shift toward stealth, strike, and aircraft carrier power', *Aerospace Global News*.

Bedi, Rahul, 2025, 10 November, 'China's Fujian signals India's Carrier gap: How PLAN surged ahead of the Indian Navy, *The Wire*.

Cao, Siqi and Xuanzun Liu, 2025, 12 December, '2025 Yearender', *Global Times*.

Chan, Ryan, 2025, 10 December, 'US DF-35 jet Carriers sent to West Pacific amid China naval threat', *Newsweek*.

Chen, Qingqing, 2025, 9 February, 'Steller 2025 multi-large deck exercise exercise shows Philippine attempts to expand foreign military presence in SCS', *Global Times*.

Choi, Seong, 2025, 3 July, 'Meet China's first home-grown carrier, the Shandong – a bridge to a blue water future', *South China Morning Post*.

Feng, Fan, 2025, 4 July, 'US aircraft carrier's visit to Philippine may escalate regional tensions', *Global Times*.

Feng, Qian, 2025, 7 November, 'Quad's political coldness risks making its limping status the norm', *Global Times*.

Global Times, 2025, 13 June, 'Japan urged to stop dangerous provocations: China's National Defense Ministry responds to «aircraft carriers' unusual close operation»', *Global Times*.

Global Times, 2025, 8 November, 'What kind of sentiment made the news of the Fujian's commissioning go viral?', *Global Times*.

Government of India. Ministry of Defence, 28 April, *Inter-Governmental Agreement Inked with France for 26 Rafale-Marine Aircraft for Indian Navy*.
Government of India. Press Information Bureau, 2025, 29 April, *Rafale-Marine: Enhancing India's Naval Strength*.
Government of India. Press Information Bureau, 2025, 24 October, *INS Vikrant: India's first indigenous aircraft carrier and a landmark in naval capability*.
Government of Japan. Ministry of Defence, 2025, 7 December, *Radar illumination of JASDF aircraft by Chinese military aircraft*.
Government of Japan. Ministry of Defence, 2025, 10 December, *Statement on the radar incident against Japan Air Self-Defense Force aircraft by Chinese military aircraft on Dec. 6th*.
Government of the UK. Prime Minister's Office, 2025, 10 March, *UK-France Joint Leaders' Declaration*.
Global Times, 2025, 7 December, 'Liaoning carrier formation approached, harassed by Japanese SDF aircraft during fighter training near Miyako Strait', *Global Times*.
Guo Yuandan, 2025, 8 August, 'Chinese expert warns Japan's increased surprise attack capability with first F-35B deployment for negatively impacting regional peace, stability', *Global Times*.
Guo, Yuandan and Xuanzun Liu, 2025, 2 April, 'PLA aircraft carrier helps in the role of cutting off «three lines» of «Taiwan independence» forces in drills', *Global Time*s.
Henry, 2025, 2 September, 'Why aircraft carriers remain the cornerstone of U.S. naval power in 2025', *The Defense Watch*.
Kathju, Junaid, 2025, 29 April, 'India's Rafale-Marine fighter jet deal targets China, Pakistan maritime challenges', *South China Morning Press*.
Kumar, Ajeet, 2025, 7 November, 'China commissions third Aircraft Carrier: Why is Fujian concerning for India?, *Daily Jagran*.
Kunde, Raunak, 2025, 10 January, 'Indian Navy assesses Rafale M superiority over Chinese J-15B/D Carrier aircraft', *Indian Defence Research Wing*.
Kunde, Raunak, 2025, 30 October, 'Indian Navy eyes 2026 clearance for second Indigenous Aircraft Carrier', *Indian Defence Research Wing*.
Litnarovych, Vlad, 2025, 9 September, 'INS Vishal: India's bid for a nuclear aircraft carrier to rival China's Fujian and USS Gerald R. Ford', *United24 Media*.
Liu Xuanzun, 2025, 25 December, 'Burst power of electromagnetic catapult on China's aircraft carrier Fujian shown in official media program', *Global Times*.
Liu, Xuanzun and Yuandan Guo, 2025, 3 July, 'PLA Navy's aircraft carrier Shandong formation arrives in HK; top equipment visiting for 1st time', *Global Times*.
Liu, Xuanzun and Rui Liang, 2025, 6 August, 'Trilateral exercises in US, UK, Japan, others hold drill in Pacific; move undermining regional peace', *Global Times*.
Liu, Xuanzun and Rui Liang, 2025, 8 December, 'Japan claims spotting China's Liaoning carrier formation heading northeast along Ryukyu Islands; voyage legitimate, can boost far seas capabilities', *Global Times*.
Mallard, Jacques, 2025, 'Strategic signal. France's Carrier Strike Group mission', *Indo-Pacific Defense Forum*, 50.4, 40-45.
Manaranche, Martin, 2025, 7 July, 'Insights on the French «Clemenceau 25» Indo-Pacific deployment', *Naval News*.
Mann, Ashu, 2025, 26 May, 'Carrier Battle Groups: The backbone of India's Blue Water naval strategy, *Hindustan Times*.

Moriyasu, Ken, 2025, 30 December, 'China aircraft carriers set to outnumber US in Pacific by 2025, analysts', *Nikkei Asia*.
Newdick, Thomas 2025, 22 September, 'China's Aircraft Carrier capability just made a stunning leap forward', *The War Zone* (*TWZ*).
OpIndia Staff, 2025, 9 May, 'Silent but supreme: How INS Vikrant caged Pakistani Jets during Operation Sindoor and reaffirmed Indian Navy's dominance in Arabian Sea', *OpIndia*.
Patel, Raghav, 2025, 13 November, 'Indian Navy to arm MiG-29K and Rafale M with 160km+ range Astra Mk2, aims to nullify China-Pak Long-Range missile threats', *Defence.in*.
Saxena, Sangeeta, 2025, 2 December, 'Carrier vision, submarine strategy and start-up innovation: Navy charts India's maritime future', *Aviation and Defence Universe*.
Shepheres, Christian and Alvaro Valino, 2025, 14 November, 'China's new aircraft supercarrier challenges U.S. dominance in Pacific', *Washington Post*.
Singh, Kuldip, 2025, 11 November, 'China's «Fujian» shows why India must keep an eagle eye in Indian Ocean region', *The Quint*.
Song, Zhonping, 2025, 25 September, 'Fujian's catapult leap pushes China's carriers into the deep-blue era', *Global Times*.
Times of India, 2025, 12 May, 2025, 'Karachi among targets as Indian Navy stayed combat-ready in Arabian Sea: Vice Admiral Pramod on Operation Sindoor', *Times of India*.
Tiwari, Sakshi, 2025, 9 December, 'U.S. beats China to the punch: Pulls out F/A-18 Super Hornet & MH-60R Sea Hawk from South China Sea', *Eurasian Times*.
Vinod, Augustine, 2025, 10 April, '26 Rafales: Why China & Pakistan must worry as Indian Navy forges a formidable Carrier Battle Group in Indian Ocean', *Eurasian Times*.
Wang, Amber, 2026, 19 January, 'Type 075 amphibious assault ship, the PLA «light aircraft carrier» key to Taiwan strategy', *South China Morning News*.
Wang Qiang, 2025, 8 December, 'PLA Navy training will not tolerate Japan's provocations', *Global Times*.
Weichert, Brandon, 2025, 27 December, 'China is now building a nuclear-powered Aircraft Carrier', *The National Interest*.
Wilson, Alex, 2025, 11 December, 'Home for the holidays: USS George Washington wraps first deployment since return to Japan', *Stars and Stripes*.
Zee Media Bureau, 2025, 9 May, 'Meet INS Vikrant: A floating fortress that gives India decisive edge against Pakistani Navy', *Zeenews*.
Zheng, William, 2025, 17 November, 'China's aircraft carriers put to «train-as-you-fight» test beyond island chains', *South China Morning News*.

SPECIAL ARTICLE

From Monopoly to Dual Patronage: The evolution of Russian and Chinese influence in Central Asia (1991-2025)

Sara Berloto *and* *Nicolò Fasola*

Italy China Council Foundation
berloto@italychina.org

University of Bologna
nicolo.fasola2@unibo.it

This article examines the evolution of Russian and Chinese influence in Central Asia through the conceptual framework of Patron-Client Relations (PCRs). While Moscow traditionally held the role of regional patron by leveraging a wide spectrum of legacy ties, Beijing's rising economic power and political ambitions have led to speculations about Russia's receding role. To shed light on this dynamic, the article operationalises key PCR properties across political, economic, and security domains. By comparing the 1991-2019 baseline of Russian primacy with the post-2020 era, we show that China has institutionalised its political and economic role, but Russia has retained a resilient patronal standing. Rather than a mere displacement of power, Central Asia is witnessing the transition towards a dual patronage system sustained by a broader Russian-Chinese strategic alignment and navigated by Central Asian clients leveraging their increased agency.

Keywords – Central Asia; Russia; China; patron-client relations; dual patronage; regional agency.

1. *Introduction*

Over the last decade, the intensification of tensions between Russia and the West, alongside the escalating rivalry between China and the United States, signalled the return of great power competition on the global scene. The Russia-Ukraine war and heightened attritions in the South China Sea epitomize such trend. Within this context, Russian and Chinese influence over Central Asia has attracted the interest of many researchers, who have scrutinized the comparative influence of Moscow and Beijing over the region to assess which one of them will ultimately consolidate its position as the region's patron or hegemon.

Some observers contend that China is destined for regional primacy, given the steady increase of its economic power and declining Russian re-

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

sources [Pizzolo & Carteny 2022]. Others, while noting that Moscow's hegemony is challenged by resource constraints, the growing agency of Central Asian states, and the entry of external competitors, claim that Russia is likely to maintain a significant leadership role [Kuhrt 2025, 19 August]. A dominant strain of research sticks to the assessment that over the mid-term Russia and China will abide by a «division of labour» – with the former continuing to act as the main security provider, while China cements itself as the lead economic player [Larson 2020]. Finally, many area specialists approach the issue from a different angle, emphasising the increasing capacity of Central Asian states to pursue independent foreign policies, thereby limiting the influence of both Moscow and Beijing [Anceschi 2022]. While most of this scholarship is empirical, several studies have framed these dynamics conceptually – primarily through a Realist lens [Dursun-Özkanca 2025], but also emphasizing identity, history, and institutions [Krapohl & Vasileva-Dienes 2020].

This article contributes to the debate on Russian and Chinese influence in Central Asia by advancing a conceptually framed, empirically thick analysis that extends over the long-term. It does so in three ways. First, we examine the shifts in Russian and Chinese regional influence over the span of three decades, then focus on post-2020 dynamics. Differently from mainstream Western assessments, we do not identify the 2022 Russian full-scale invasion of Ukraine as the single latest turning point and major cause of regional shift. Instead, and very much like Russian and Chinese commenters, we see it as a symptom of broader global instability that was already unfolding since at least the Covid-19 pandemic – which generated significant economic and political disruptions and prompted regional actors to recalibrate their postures. Second, we frame our analysis within the concept of Patron-Client Relations (PCRs). While the lexion of «patron» and «client» is used frequently in this debate, its application is superficial at best. Here, instead, we employ the PCR lens as a tool to organize empirical data and guide observations on the relational dynamics between Russia, China, and Central Asian states.[1] Third, we draw on a wealth of Russian and Chinese primary sources to provide original insights and try mitigating Western mirror-imaging; reputable secondary sources and writings by Western and Central Asian analysts are leveraged to contextualize and add nuance to our observations.

The article is structured as follows. Section 2 introduces the PCR concept and its constitutive properties. Section 3 provides the empirical baseline

1. Readers should note that this article's explicit theoretical orientation is intended to complement Asia Maior's established focus on empirical richness and area-studies research. We are grateful to the editors for granting us this conceptual freedom. Due to space constraints, we have prioritized the substantive analysis of these shifts over an exhaustive methodological debate or a comparative assessment with alternative conceptual frameworks. Still, we welcome further dialogue on these aspects.

by analyzing the roles of China and Russia from 1991 to 2019 through the PCR framework. Section 4 repeates this analytical effort for the period 2020-25, looking closely at three empirical domains that help operationalize PCRs: national interests and strategic narratives; economic presence; security and military cooperation. The conclusion synthesizes our findings to assess the evolving influence of Moscow and Beijing in Central Asia, evolving patterns of competition and cooperation, and the agency of regional actors.

2. *Patron-client relations in international politics*

The PCR concept originated in the ancient Roman institution of *clientela*, where a *patronus* (protector) provided favours, legal, and material support to a *cliens* (dependent) in exchange for political loyalty. During the Middle Ages, this evolved into ecclesiastical and artistic patronage, while later on, in the 1960s, social scientists revived the concept to describe the hierarchical, informal ties between powerful landowners and peasants in the developing world. Throughout the Cold War, political scientists adapted the PCR framework to analyze the strategic competition between superpowers as they vied for global influence.

In this article, we follow Biermann's [2025, p. 5] most recent conceptualization of a PCR – which he defines as an «asymmetric, enduring partnership of diffuse obligation among a patron and a client, which are engaged in a mutually valued, yet dependency-inducing resource exchange». This relationship is characterized by five constitutive properties.

1. *Cooperative resource exchange*: unlike purely coercive relationships, PCRs are voluntary and reciprocal. Both parties must perceive value in the exchange, whether the resources are tangible (military aid, FDI) or intangible (political legitimacy, prestige).

2. *Asymmetric power dependence*: PCRs are inherently unequal. The patron typically commands superior, issue-specific resources that the client requires for survival or stability. This imbalance grants the patron significant bargaining leverage, though this power is contingent on the patron's continued willingness to provide those resources.

3. *Diffuse obligation*: these ties are often informal and flexible rather than strictly contractual. While they lack third-party enforcement, they are sustained by a sense of reciprocal duty and the expectation of long-term continuity.

4. *Durability*: PCRs are not fleeting or one-off transactions but persistent relationships characterized by iterative exchanges over time. This iteration fosters a promise-like bond, where debts and obligations are managed over a long-term horizon.

5. *Specialness*: this property reflects the exclusive nature of the bond. PCRs involve a unique relationship that distinguishes the client from other

actors and prioritizes this connection in the eyes of both patron and client [Biermann, *unpublished manuscript*].

Motives for engaging in PCRs are multifaceted, encompassing instrumental, ideational, and affective factors. *Instrumental motives* are rooted in a «logic of consequences», where actors calculate rationally the (material) costs and benefits of their relations based on self-interest. *Ideational motives* follow a «logic of appropriateness», emphasizing shared norms, legimitacy, and solidarity as drivers of relations. *Affective motives* involve instead emotional ties and personal relationships in upholding relations.

Changes in the PCRs' operating environment («critical junctures») are key to explain variations, such as *erosion* and *termination* of a PCR [Shoemaker & Spanier 1984]. Domestic and international crises may alter the resource base or motives of the parties to a PCR, forcing them to reassess their commitment to the relationship. On the one hand, a patron might signal dissociation from a client if the costs of support become too high or if other interests, beyond the PCR, prevail; a patron may also disapprove of a client's behavior in the crisis context, leading to setbacks in the partnership. On the other hand, the lack of patron commitment can disappoint the client, leading them to search for alternative patrons, if any are available. The client may also want to disengage to avoid becoming fully dependent on a patron, which would ultimately lead to a loss of sovereign autonomy; or, conversely, if the perceived criticality of a patron's support diminishes in the face of changed motives or resources available to the client.

Having clarified the conceptual framework that will guide our research, we now turn to empirics.

3. *1991-2019: setting the background of Russian and Chinese influence*

To contextualize the recent shifts in the Russian and Chinese influence over Central Asia, it is useful to first establish the historical baseline of patronage. Assessing this nearly thirty-year period between 1991 and 2019 allows us to identify the relative regional positions of Moscow and Beijing, ahead of the shocks of the 2020s. The following analysis evaluates the regional engagement of Russia and China separately by resorting to PCR terminology.

Our analysis shows that the 1991-2019 period was defined by an enduring, albeit eroding, Russian primacy. Moscow remained Central Asia's patron by virtue of its disproportionate role in regional security, economy, and culture. Meanwhile, China successfully transitioned from a cautious neighbour to an active player. While Beijing did not substitute Moscow as a patron, its provison of massive resources began hollowing out the traditional Russia-Central Asia PCR, setting the stage for the more evident competition that would follow after 2020.

3.1. *Russian primacy*

In the aftermath of the Soviet collapse, Russia remained the primary political, military, economic and cultural partner of Central Asian states. Indeed, the relationship linking Moscow with the former Soviet peripheries of Central Asia displayed the typical characteristics of a PCR. Underpinning such relationship was a variegated set of *motives*.

For Russia, instrumental motives centred on maintaining direct (military) control over the region as a buffer zone between Western Siberia and the 'Near East' (*blizhnij vostok*) and China, while extracting economic rents and containing rival powers. This was complemented by immaterial motives, since Central Asia served as a primary theatre for validating Russia's self-perceived Great Power status: by maintaining a sphere of influence in its «Near Abroad» (*blizhnee zarubezhe*), Moscow could project itself as a distinct regional pole in a (desired) multipolar world. Since the 1990s, Russian leaders have gone as far as claiming *de facto* owernship of Central Asian borders and recognizing a «blood relationship» between the region and Russia [Costa Buranelli 2018].

Central Asian states were driven to the PCR by the need for regime security and economic survival (instrumental motives). Moscow provided hard security and a backbone of stability for regimes navigating domestic transitions and the spillover risks of Islamist militancy in the Near East. Economically, the Russian labour market acted as a critical outlet for millions of Central Asian migrants, with remittance flows accounting at various points for nearly half of Tajikistan's and a third of Kyrgyzstan's GDP [World Bank-KNOMAD 2020]. On the immaterial side, the relationship with Russia provided Central Asian states a framework for legitimizing their newly won sovereignty. Moreover, Moscow's diplomatic support offered a sense of continuity and a shield against perceived Western democratic encroachment and «color revolutions» [Omelicheva 2015].

These motives were reinforced by affective bonds rooted in the shared history between Russia and Central Asia. The Soviet-era socialization of leaders fostered a common political language and a personal rapport that facilitated informal deal-making, while the continued dominance of Russian language and media created a shared cultural and information space that bound populations together across borders [Laruelle 2015]. As former Kyrgyz President Almazbek Atambayev epitomized in 2012, «we are entwined with Russia by a common history and destiny. We cannot have a future without Russia» [quoted in Costa Buranelli 2018, p. 380].

Within this framework, the parties engaged in a robust *cooperative resource exchange*. In the security realm, this was institutionalized through the Collective Security Treaty Organization (CSTO) and various bilateral agreements. This exchange included the installation of Russian military bases, the provision of arms at subsidized prices, joint exercises, and the consistent education of Central Asian military personnel in Russian academies [Stein

2021]. Economically, the transition from a common market to the Eurasian Economic Union (EaEU) in 2015 solidified Russia's position as a primary trading partner, while ensuring the continued flow of labour and capital [Dragneva & Wolczuk 2017].

This relationship was characterized by a profound *asymmetry*. Russia inherited the vast majority of the Soviet empire's military weight, economic power, and the monopoly over critical infrastructure – and this asymmetry was institutionalized within regional bodies. For example, Russian armed forces constituted around 80% of all CSTO armed forces in this period. Moreover, article 17 of the CSTO Charter ensures Russia's preponderant position by tying Secretariat quotas to budget contributions and, since Russia contributes approximately 50% of the organization's total budget, it maintains *de facto* control over it [Costa Buranelli 2018]. Similarly, the Russian economy constituted over 80% of the EaEU's total GDP, and the Union's agenda is largely shaped by Moscow, with external trade agreements often reflecting Russian geopolitical interests rather than the specific economic needs of the Central Asian members [Dragneva-Lewers 2019]. Moscow utilized these dependencies – encompassed by the vulnerability of migrant workers in Russia and leadership in the energy sector – as coercive leverage to ensuring a superior bargaining position and extract political concessions.

The Russia-Central Asia relationship was governed by a logic of *diffuse obligation*, where reciprocity was expected though not formally codified. This was most visible in regard to regime stability, with Moscow providing political legitimacy and protection against «color revolutions» and Islamist insurgencies in exchange for Central Asian support in international fora like the United Nations. In what scholars have described as a «league of authoritarian gentlemen», a mutual expectation formed that Russia would defend the political status quo, while regional clients would prioritize Russian interests and refrain from hosting long-term Western (military) presence [Cooley 2013, 30 January]. However, this obligation was not absolute: the Central Asian refusal to formally support or recognize Russian military operations and territorial claims in Georgia (2008) and Ukraine (2014-onwards) signalled a clear limit to their clientelistic deference.

The *durability* of this relationship was ensured by geographic proximity and the century-long historical experience of Central Asian subordination to Moscow; but not only. After the Cold War, the parties jointly built an interlocking system of multilateral organizations, including the CSTO, the EaEU, and the Commonwealth of Independent States (CIS). Reinforced by regular high level bilateral summits, this system provided a framework for iterative cooperation and policy-convergence. A shared political language, rooted in authoritarian proclivities and the Soviet experience, smoothened communication and ensured that Moscow remained the primary reference point for regional problem-solving.

Finally, the relationship was marked by a distinct *specialness*, anchored in the pervasive role of the Russian language as the region's *lingua franca* and the continued dominance of Russian media. This sustained a «soft power», extricating cognitive and emotional ties that were difficult for any competitor to substitute. From Russia's perspective, Central Asia – and Kazakhstan in particular – consistently featured in strategic documents as a priority area within the «Near Abroad», where Moscow claimed special rights and responsibilities vital to its national security and greatpowerness [MOFA RF 2008, 12 January; MOFA RF 2016, 30 November].

3.2. *Chinese rise*

As noted in the conceptual section, PCRs are sensitive to shifts in the operating environment. Between 1991-2019, four key changes began to empower Russia's clients (Central Asian states) and invite patronal competitors (China).

First, the post-9/11 US intervention in Afghanistan accrued Western interest and military presence in the region, exemplified by the Manas airbase in Kyrgyzstan (2001-14) [Kim & Indeo 2013]. This gave Central Asian states an opportunity to diversify their sources of security, increasing their leverage vis-à-vis Russia. Second, the 2008-9 global economic crisis exposed the limits of the Russian economy, weakening its patronal resource base (as well as the West's). Third, over the course of the 2000s, Moscow's increasing assertiveness and irredentist rhetoric triggered concerns over the reliability of the patron and its willingness to protect, rather than undermine, Central Asian sovereignty. Finally, and related to the previous points, by the 2000s Central Asian states had stabilized enough to pursue a «multi-vector diplomacy»: by diversifying their external relations, they sought to maximize resource intake while containing the risks of over-reliance on Moscow [Swanström 2014]. Overall, these shifts did not shatter the Russia-Central Asia PCR, but altered the Central Asian perception of this relationship, triggering concerns about sovereignty and over-dependence and opening the door to China.

Cognizant of Russia's post-imperial sensitivies and wary of the expanding US military footprint, China did not immediately take advantage of regional opportunities [*Guangming Daily* 2003, 27 October; Chung 2004]. In fact, at that time, China was still an emerging rather than fully consolidated great power, prioritizing domestic development and cautious diplomacy over expansive geopolitical projection. However, under the presidency of Hu Jintao (2003-13), Beijing's interest in Central Asia acquired substance: it extended to the region its strategy of «peripheral diplomacy» (周边外交) – giving renewed emphasis to neighbouring countries in Chinese foreign policy; and established the principle of «good neighbourliness» (睦邻友好) – intended to promote peaceful, friendly, and prosperous relations with Central Asian countries [MOFA PRC 2006, 15 June].

This policy was driven by instrumental *motives*: promoting security and development in areas adjacent to the Xinjiang Uyghur Autonomous Region (XUAR) through cross-border initiatives; securing access to the region's vast oil and gas resources, to fuel China's domestic growth; and opening local markets to Chinese infrastructure companies [Pantucci & Petersen 2022]. On the immaterial level, and similarly to Russia, China's engagement offered regional elites a model of «authoritarian modernization» that emphasized development without the liberalizing pressures often attached to Western aid, while simultaneously reinforcing Beijing's nascent self-identification as a great power.

The decade 2010-19 catalyzed China's regional projection. The ebbing of Western interest and the economic crisis generated a power vacuum and allowed Beijing to leverage its massive foreign exchange reserves [Cooley 2021, 23 August ; Leksyutina 2024]. In September 2013, the launch of the Belt and Road Initiative (BRI) in Astana marked a watershed moment [Xi 2013]. By 2019, with over 261 projects valued at $136 billion, China became a crucial hub for regional infrastructure [CADGAT 2019, p. 15]. Beijing conceived the BRI as a tool to establish itself as the reference actor for the countries of the region, leveraging unprecedenting financial power to implicitly challenge Russia's patronage on the *resource* side [Rolland 2017; Deng 2022]. Moreover, Beijing also focused on strengthening its leadership capacity vis-à-vis Central Asian states within multilateral frameworks. A significant example is the Shanghai Cooperation Organisation (SCO), a regional organization which Russia is also a member of. While acknowledging – and refraining from openly challenging – Moscow's role within the SCO, China gradually enhanced its ability to shape the organization's agenda and to leave an increasingly visible imprint on its activities [Seiwert 2025].

Precisely because of China's expanding financial and political capacity, its relationships with the Central Asian states became increasingly *asymmetric*. However, the scale of Chinese lending and investment – as well as the proportion of external debt owed to China – varied considerably across the region, making these new patterns of dependence different from case to case. Such heterogeneity complicated any straightforward assessment of whether China's nascent economic leverage translated into *diffuse obligation* at the regional level. Yet, clearly, the long-term nature of BRI projects and institutionalization of the SCO introduced a sense of *durability* in the China-Central Asia relationship, previously absent.

China also sought to confer *specialness* to this emerging relationship, stepping up ideational and affective links with regional elites via intense diplomatic outreach. In 2016 and 2018, for instance, China elevated the status of its relations with Uzbekistan and Kyrgyzstan to the level of a «comprehensive strategic partnership» [MOFA PRC 2016, 22 June; MOFA PRC 2018, 7 June]; while in 2019 China concluded a «permanent comprehensive strategic partnership» with Kazakhstan [MOFA PRC 2019, 12 September]. These partnership upgrades resonated strongly among political

and business elites, many of whom have benefited directly from Chinese investments and infrastructure financing. However, this top-down move faced significant bottom-up friction. Unlike the soft power enjoyed by Russia, China's presence triggered local anxieties regarding «debt-trap diplomacy», land ownership, labour practices, and corruption [McGlinchey 2019]. The anti-Chinese protests that erupted in Kazakhstan in 2016 and 2019 are emblematic of this dynamic: while China was becoming an indispensable economic partner, it lacked the cultural-historical «glue» that bound Russia to the region [Umarov 2019, 30 October].

4. *2020-25: changing patterns of Russian and Chinese influence*

Having established the PCR baseline, the article now moves on to the post-2020 period – characterized by four critical shifts in the operating environment. First, the Covid-19 pandemic gave Central Asian elites the opportunity to consolidate their autocratic governance; more stable at home, they aimed at exterting greater agency internationally, continuing their «multi-vector diplomacy» [Anceschi 2026]. Second, the 2020 Nagorno-Karabakh war fuelled the perception that subordination to Russia did not necessarily guarantee security against competing regional powers, such as Turkey, and new ways of war. Third, the 2021 US/NATO withdrawal from Afghanistan and the Taliban takeover marked the end of Western military influence on nearby Central Asia, while accruing the threat of militant Islamism infiltrating the region. Fourth, Russia's full-scale invasion of Ukraine in February 2022 – which, as we will see, generated ambivalent responses across Central Asia. While these changes have accellerated China's political and economic penetration in Central Asia, also at the expense of Russia, the latter has retained a resilient patronal role.

We support such a view by examining three dimensions that substantiate the core relational properties of PCRs: national interests and strategic narratives; economic presence; security and military cooperation. National interests and strategic narratives frame Moscow's and Beijing's understanding of their changing influence on Central Asia over the previous decades; by looking at them, it will be possible to shed light on their shifting *motives*, relational *diffuse obligations*, and the *specialness* of their bonds with regional actors. Economics and security emerged in the preceding analysis as major venures for the extrication of Russian and Chinese patronage and have remained such. These are primary domains for assessing the PCR-relevant properties of *resource exchange*, *asymmetry*, and *durability* – thereby observing shifting patterns of agency and dependence.

4.1. *National interests and strategic narratives*

Since 2020, Russia's strategic framing of Central Asia has fluctuated between neo-imperialist warnings and fraternal rhetoric. On the one hand,

fringe yet high-profile statements by Duma deputy Vyacheslav Nikonov – claiming Kazakh territory was a «gift from Russia» – and former President Dmitry Medvedev – labelling Kazakhstan an «artificial state» – have reignited sovereign anxieties in Central Asia [Trotsenko 2021, 5 January; Sorbello 2022, 5 August]. These comments, echoing Putin's 2014 remarks, acquired a sharper edge following the 2022 invasion of Ukraine, catalyzing a «decolonization discourse» across the region, most notably in the tightening of national language policies in Astana and Bishkek, aimed at reducing the public footprint of the Russian language. Russian-language media still retain an overarching presence across the region [Dovery Vesterbye et al. 2023].

On the other hand, the Kremlin has doubled down on elite-level socialization. In October 2022, Moscow hosted the inaugural Central Asia-Russia Summit in Astana, signaling a shift toward more inclusive, multilateral engagement. Moreover, President Putin and other high level Russian officials have led an intensive agenda of bilateral meetings with their Central Asian counterparts. These efforts are designed to activate pre-existing ideational and affective *motives* and confirm the *specialness* of the relationship, framing it as an exclusive partnership that remains a priority despite global shifts. For instance, Putin [2024, 27 November] defined the relationship between Russia and Kazakhstan as a «genuine alliance», characterized by «bonds of similar cultural, spiritual and moral values … shared achievements and victories» and «strong good personal relationship» with Preisdent Tokayev. Similarly, Rashid Alimov [2024, 21 May], former Secretary General of the SCO, described Russian-Central Asian relations as «granite strong», empahsizing their «priviledged nature».

Overall, the Russian approach to Central Asia has shown awareness of the risk of loosing its patronal position in the region, in light of international and regional shifts as well as its own domesic constraints. As Niyazi Niyazov [2025, 15 April] suggests, the changing operating environment has increased the «subjectivity» of Central Asian states, allowing them to extract resources on more favourable terms from a distracted patron, such as Russia. This is not believed to structurally compromise Russia's asymmetric advantages, but it does call for caution, so that local problems are not solved «at Russia's expense, without providing anything in return» [Bordachev 2025, 4 August].

In response, Moscow has reconfirmed pre-existing motives for engaging with the region and its top priority in its foreign policy [MOFA RF 2023, 31 March; Trofimov 2025, 16 May], while accepting that direct, exclusive control of Central Asian dynamics is likely not possible anymore [Bordachev 2025, 30 May]. Recognizing conditions for a shift in the regional «balance of power», Russia primarily aims to ensure that Central Asia does not «represent a territorial base for other countries, whose intentions may contravene those of Moscow»; this conservative objective is to be pursued also cooperatively, by aligning with likeminded external players, such as China, and fostering

the region's connectivity with the broader Global South [Bordachev 2020, 30 September; Bordachev 2021, 8 November; Bordachev 2025, 20 May].

Russia's project for a so-called Greater Eurasian Partnership (GEP) is emblematic of this recalibrated approach. Officially announced a decade ago, this framework was designed to address the material and political deficiencies of the EaEU, helping Moscow to maintain its influence on Central Asia and using it as a springboard for broader influence across a «Greater Eurasia». While the GEP remains characterized by a lack of material substance and a significant gap between strategy and implementation, it serves as a potent ideational umbrella for synergizing political, economic, and security approaches. This loose, flexible policy framework allows Russia to adjust its strategic objectives «on-the-go», positioning itself as an equal to other key regional players – chiefly, China. In fact, rather than subsuming itself into Beijing's BRI, Moscow leverages the GEP narrative to «harmonize» Russian and Chinese projects, thereby signalling continued strategic independence and regional leadership [Silvan & Kaczmarski 2023; Trofimov 2025, 16 May].

If Russia saw policy adaptation as a necessary condition for the preservation of regional patronage, China doubled down on previous efforts. During the 2020-25 period, Beijing has particularly invested in strengthening three PCR dimensions vis-à-vis Central Asian states: *specialness*, *durability*, and *diffuse obligation*.

In addition to playing an even more prominent role within the SCO – as reflected in the Tianjin Declaration adopted in September 2025 [MOFA PRC 2025, 1 September] – and advancing an intensive agenda of bilateral visits [MOFA PRC 2025a, 2 September; MOFA PRC 2025b, 2 September; *Xinhua* 2025, 5 February], China hosted in Xi'an in May 2023 the first summit of a new, exclusively China-led format, the China-Central Asia (C5+China) framework, aimed at institutionalizing and deepening ties with all regional states [Ozat 2023, 22 August]. In 2024, a China-Central Asia permanent Secretariat was created and at the second Summit, held in Astana in June 2025, Uzbek President Mirziyoyev signaled a warming of rhetoric on both sides by referring to Xi Jinping as a «dear brother» [*Xinhua Novosti* 2025, 13 June]. China has also reinfroced the prominence of Central Asia within its new foreign policy conceptualizations. For instance, building a «China-Central Asia community with a shared future» (中国–中亚命运共同体) constitutes, alongside Indochina, one of the main regional clusters within the Chinese vision of a «community with a shared future for mankind» (人类命运共同体) [Wei 2025, 7 May]. Overall, these are fundamental steps towards the institutionalization of Beijing's presence, which is moving beyond purely instrumental motives to cultivate a sense of a long-term, diffuse ideational alignment.

Several concepts and principles of Chinese foreign policy have now been incorporated into documents that further elevate the status of bilateral

partnerships [MOFA PRC 2022, 15 September; MOFA PRC 2023, 18 May]. Notably, Beijing has invested significantly in so-called «peripheral communication» (周边传播) – the adoption of targeted communication strategies in neighbouring countries aimed at promoting a positive image of China and its strategic interests, as well as at penetrating the information environments of these states and shaping public opinion [Grant 2025, 13 August]. As observed by Yau with reference to the case of Kyrgyzstan, in recent years China has been able to insert its content effectively into Kyrgyz media, by signing agreements to expand the local presence of its own media outlets (including Xinhua and Weibo) and by increasing the circulation of Russian- and Kyrgyz-language content on its social media platforms [Yau 2022, 2023]. The pervasiveness of Chinese technological infrastructure in the region represents an additional enabling factor for this strategy: companies such as Huawei, Hikvision, and Dahua now dominate large segments of the telecommunications and surveillance technology markets in Central Asia [Dukeyev et al. 2023, 23 December]. While Russian-language media remain dominant, these developments pose a long-term informational challenge and set the ground for stronger Chinese influence across Central Asian populations.

4.2. *Economic presence*

Despite shifts in the operating environment, Russia remains an economic anchor for Central Asia and this, in turn, supports the continuation of Russia's patronhood.

Trade turnover has increased consistently, now accounting for roughly one-third of the region's total foreign trade. This expansion is largely driven by «sanction-busting» trade: several reports indicate that a significant portion of EU exports to Central Asia is rerouted to Russia, compensating for the drop in direct EU-Russia trade of sanctioned goods and turning the region into an «economic backdoor» to Russia [Cooley 2025, 16 April]. This represents a novel reconfiguration of the cooperative resource exchange between Russia and regional countries, wherein the latter (the clients) provide Moscow (the patron) with a critical resource – access to global markets – thereby mitigating the relationship's original asymmetry and granting Central Asian more leverage.

Beyond trade, Russia's economic influence in the region has mutated through two shifts in human capital [Cooley 2025, 16 April]. On the one hand, the flow of Russian *relokanty* to Central Asia. Following the 2022 invasion of Ukraine, over 500,000 Russians, including 10% of the country's IT workforce, moved to Central Asia. This influx catalyzed local FDI and banking sectors, with over 4,000 Russian companies registering in Kazakhstan alone by 2022. In Uzbekistan and Kazakhstan, Russian programmers have helped establish entire IT sectors, though Russia now competes to «re-loyalty» these expatriates to preserve its own technological base and leverage them as source of human influence [Tkachenko 2024, 15 May].

On the other hand, migratory trends from Central Asia to Russia were not really affected, as the region's socio-economic stability remains tethered to labour remittances. For instance, in Tajikistan remittances accounted for nearly 48% of GDP in 2024, up from just below 27% in 2020 [World Bank 2025]. However, the social underpinnings of this dependency are becoming weaker. The 2024 Crocus City Hall attack sparked a harsh Russia crackdown on Central Asian migrants (of Islamic faith), leading to ethnic profiling, deportations, and stricter regulations for migrant labour. Coupled with reports of migrants being coerced into military service, these events have fuelled regional resentment [Tahir 2025, 20 June].

Russia's role as an energy gatekeeper is being erodedbut remains dominant thanks to the control of legacy infrastructure and sector-specific innovations. While Russia is no longer the sole intermediary for energy transit to Europe – partially substituted by the Middle Corridor and the Baku-Tbilisi-Ceyhan (BTC) pipeline – it remains the primary outlet for Kazakh oil. The Caspian Pipeline Consortium (CPC) and the Atyrau-Samara-Druzhba Pipelines still handle more than 90% of Kazakhstan's oil exports via Russian territory [Wong 2025, 11 February]. Simultaneously, Russia has pivoted toward North-South connectivity to bypass Western sanctions, emphasizing the International North-South Transport Corridor (INSTC) reaching Iran and the Indian Ocean via Kazakhstan, Uzbekistan, and Turkmenistan. In the high-tech sector, Russia is entrenching its influence through nuclear diplomacy: in June 2025 Rosatom was selected (against Chinese, French, and South Korean bids) to build Kazakhstan's first nuclear power plant, alongside ongoing projects for small and large-scale reactors in Uzbekistan and Kyrgyzstan [*The Moscow Times* 2025].

In terms of economic integration, the Russia-led EaEU has yielded mixed results. While it boosted trade, increased the efficiency of resource allocation, and promoted sectoral specialization, it affected negatively employment in low-skill sectors and had limited effects on overall GDP growth [Pomerlyan & Belitski 2024]. Despite holding some comparative advantages over alternative integratation projects like China's [Cie□lik & Gurshev 2024], the attractiveness of Russia-led economic integration has decreased over time as Russia, the bloc's biggest economy, remains under heavy sanctions and the diverse economic interests of Central Asian states have made multilateral coordination difficult [Bordachev 2020, 28 December; Ostrowski & Malikov 2025].

The economic leg of Russia's patronage over Central Asia finds in China its main challenge. By 2024, China emerged as the region's leading trading partner, accounting for 33% of the total trade volume ($94.8 billion); it was followed by the EU with 24% ($65 billion) and Russia with 16% ($47 billion) [China's General Administration of Customs 2025]. In the first ten months of 2025 alone, China's trade with Central Asia increased on average by approximately 14% compared to the same period in 2024 – driv-

en disproportionately by Kyrgyzstan (+35.6%) and with Turkmenistan representing the sole exception (-6.7%). Kazakhstan, Kyrgyzstan, Uzbekistan, and Tajikistan are all in a position of trade deficit vis-à-vis China, which continues to pursue an export-led strategy in the region [China's General Administration of Customs 2025].

With regard to the value of the stock of foreign direct investment (FDI) in Central Asia, Chinese sources already reported a figure of $63.9 billion in 2023, concentrated primarily in the energy, transport, and manufacturing sectors [National Development and Reform Commission 2023]. The presence of Chinese investments in the region is therefore tangible, as evidenced by projects such as the Astana Light Rail Transit (Kazakhstan), the Dushanbe-Chanak railway (Tajikistan), the Turkmenistan-China gas pipeline, and, more recently, the port of Aktau, where the Chinese company Zhongyun International is set to act as a strategic partner [*The Times of Central Asia* 2025, 25 November].

However, the implementation of several Chinese projects has encountered difficulties. Beijing has increasingly made clear its willingness to invest in infrastructure primarily through interest-bearing loans and with extensive reliance on Chinese contractors and technologies. Central Asian states have begun to perceive these conditions as unfavourable, showing a growing inclination to wait for what they consider more advantageous offers. The China-Kyrgyzstan-Uzbekistan railway is an emblematic case, as its implementation was postponed for many years and only approved in late 2024 [*Kazinform International News Agency* 2024, 21 December]. Particularly significant is the issue of debt, which for some states is becoming increasingly constraining. China holds, in fact, approximately 41% of Kyrgyzstan's external debt. In other countries, however, such as Kazakhstan, this percentage drops to 5.9%.

Another relevant aspect to consider in assessing Chinese penetration is the growing number of Chinese enterprises operating in Central Asia. Although consolidated statistical data are not available yet, China's Ambassador to Kyrgyzstan, Du Dewen, stated in 2023 that nearly 700 Chinese-owned companies or joint ventures were operating in the country, spanning sectors such as mineral resource extraction, oil and gas processing, transport infrastructure construction, and energy [China BRI Network 2023, 22 September]. More recently, Kazakhstan's Prime Minister stated that nearly 5,000 Chinese enterprises are currently active in the country [*The Astana Times* 2024, 23 December].

As the data and developments outlined above illustrate, China not only sustained but further intensified its *exchange of resources* (investments, loans, and FDI) with the Central Asian states during the 2020-25 period. However, the increase in material exchanges did not automatically or consistently translate into greater prestige or a blind sense of *obligation* vis-à-vis China, from a Central Asian perspective.

4.3. *Security and military cooperation*

The security dimension remains the most resilient pillar of the Russia-Central Asia PCR. To begin with, the August 2021 US/NATO withdrawal from Afghanistan offered Russia an early occasion to meet it clients' enduring concerns about militant Islamism and regime stability, reasserting itself as the main regional security provider. As Charles E. Ziegler [2024] put it, «Central Asia's autoritharian regimes fear the destabilizing potential of radical forces based in Afghanistan and expect Moscow to provide security for the region». Coherently, the reinforcement of the Russian contingent in Dushambe and joint Russia-Tajikistan-Uzbekistan drills near the Afghan border immediately followed the Taliban takeover.

Kazakhstan's «Bloody January» in 2022 was similarly exploited by Moscow to reconfirm its patronal commitments. Marking the first time the CSTO ever activated its collective defence provisions, Russia sent approximately 2,500 troops to help stabilize President Toakyev's government amidst civil unrest. In so doing, Moscow proved its continued willingness to act as the guarantor of its clients' regimes – disputed in light of Russia's restraint during the 2020 Nagorno-Karabakh war. While Moscow later refused to intervene in the border clashes between Kyrgyzstan and Tajikistan in September 2022 – fuelling considerable but short-lived resentment from Bishkek – on this occasion there was no existential threat to be fought by Russia. Moreover, the Russian refusal to intervene is coherent with both the *diffuse* nature of the security onligations between Russia and Central Asian states, and the Kremlin's decision to re-size its direct control over regional dynamics (discussed above).

Russia continues enjoying an asymmetric military position in Central Asia, thanks to the disproportionate number and quality of its forces vis-à-vis those of regional states, the retention of basing rights, and the coordination of security initiatives, such as regular military exercises and joint operations, throught the CSTO. Russia's military position has faced relative setbacks only in terms of arms sales. Russian overall arms exports fell by 64% between 2020-24 compared to the previous five-year period – yet it remains the main arms provider in Central Asia, with Kazakshtan alone receiving 11% of Russia's total arms exports [George et al. 2025]. While China successfully gained market share during the 2010s by selling advanced technologies, such as drones, Russia is now retooling its offer, leveraging innovative platforms developed during the war with Ukraine – on top of traditional weapons systems.

Notably, from the standpoint of internal security, Central Asian security services remain deeply entwined with Moscow. A June 2023 agreement between Russia, Kazakhstan, and Kyrgyzstan established a comprehensive personal data-sharing framework. This allows the Russian and local intelligence agencies to exchange information on residence status, criminal records, and identity documents, effectively closing the «escape hatch» for

Russian *relokanty* and activists. Kyrgyzstan launched a facial recognition system in Bishkek with Russian technical support: while officially for criminal apprehension, it was immediately utilized to identify, detain, and extradite Russian anti-war dissidents. Overall, between 2022 and 2024, Kazakhstan and Kyrgyzstan consistently complied with Russian extradition requests for «extremism» and «discrediting the military», illustrating a shared interest in suppressing popular dissent [VOA News 2024, 22 October].

Security remains the least prominent dimension of the Chinese penetration in Central Asia – though Beijing has started expanding its footprint. Importantly, it has neither rolled out a vast spectrum of initiatives – as it did, for example, in the economic domain – nor sought to establish deep, institutionalized military-to-military links via the People's Liberation Army. Instead, China has focused on internal security, tasking its own security and paramilitary forces – such as the Ministry of Public Security and the People's Armed Police Force – and regime-affiliated private security companies (e.g., Zhongjun Junhong Security Group) to develop cooperation programmes with their Central Asian counterparts.

More specifically, Beijing has progressively expanded its engagement in the military domain through joint exercises, limited defence-industrial cooperation, and growing intelligence-sharing practices. This evolution can be understood as a strengthening of *resource exchange* dynamics, whereby China provides targeted security capabilities, training, and surveillance tools in return for enhanced stability, regime support, and the protection of its strategic and economic interests in the region. At the same time, China has fostered a degree of *specialness* also in this domain by developing differentiated and privileged bilateral security ties with different Central Asian countries.

To date, Tajikistan represents the only country in the region to host a Chinese military presence: since 2016, Beijing has operated a secretive security facility in the Gorno-Badakhshan province [*The Washington Post* 2019, 18 February]. In addition, since 2021 a Chinese company has been busy in the construction of a base in the Ishkoshim district, intended for use by Tajikistan's Ministry of Internal Affairs [Dodikhudo 2023]. This cooperation has deep roots dating back to the early 2000s: between 2002 and 2023, Tajikistan participated in 19 of the 36 joint military exercises conducted by China with Central Asian states, both bilaterally and within the framework of the SCO. Since 2015, moreover, China's Ministry of Public Security has provided professional training programmes for officials from Tajikistan's Ministry of Internal Affairs and border forces, accompanied by regular high-level meetings between the respective internal security agencies [Lemon & Norov 2025, 20 March].

In addition to Tajikistan, Kyrgyzstan – which borders Xinjiang – is one of the main recipients of Chinese security assistance. During a 2019 joint exercise, for the first time China deployed the People's Armed Police Force

outside national borders [*Xinhua* 2019]. Similarly, bilateral exercises have also been conducted with Kazakhstan, including the one held in Öskemen in 2019 [*China Military* 2019]. In parallel, China's role as a supplier of weapons systems in Central Asia has increased: Kazakhstan, for example, has long procured advanced military equipment from China, including Wing Loong-1 strike drones and Y-8F-200 military transport aircraft [*Voyennoye Obozreniye* 2018, 18 June]. More recently, in 2024, Beijing reportedly supplied drones to Kazakhstan and sold anti-aircraft systems to Uzbekistan [Azimzhanova 2024, 16 August; Malyasov 2025, 25 February].

From Beijing's perspective, Central Asia represents a testing ground for the security initiative launched in 2022 by President Xi Jinping, namely the Global Security Initiative (全球安全倡议). In this context, in September 2024 Beijing hosted the first meeting of ministers of Public Security and Interior with the Central Asian states [*Xinhua* 2025, 9 October].

5. *Conclusion*

This study has examined the shifting dynamics of Russian and Chinese influence in Central Asia at the turning point of 2020, utilizing the PCR framework to assess whether a fundamental displacement of patronage is underway. Our findings suggest that, over the course of three decades, China's rise has consistently eroded Russia's patronage: the latter transitioned from being an undisputed patron in the 1990s and early 2000s to accepting a «division of labour» with China by the 2010s. After 2020, telluric changes in the PCR's operating environment have empowered Central Asian agency and given China increasing room for regional penetration. However, perhaps counterintuitevly, Russia has demonstrated a considerable «staying power», rooted in a sober assessment of its capabilities, the careful administraton of scarce resources, and military and diplomatic activism.

Central Asia's asymmetric dependence on Moscow remains evident in the continued reliance on Russia's labour market, the latter's control of legacy infrastructure, and its status as the ultimate guarantor of security and regime stability – the most important resources for local elites. This notwithstanding, the specialness of the Russian bond, once anchored in a shared cultural and linguistic space, is increasingly strained by the Kremlin's neo-imperialist rhetoric, prompting Central Asian clients to accelerate decolonization efforts. Conversely, China has transitioned from a cautious neighbour into a credible alternative patron. Through a vast array of incremental initiatives, Beijing has institutionalized a durable regional presence, moving beyond purely instrumental motives toward a more ideational and affective relationship with regional elites. China's superior resource base in the economic and technological sectors is particularly challenging for Russia, whilst proving less of an adversary in military on overall political terms.

Besides individual motives and resources, the evolving patronal positions of Russia and China are also shaped by two more conditions. First, as shown throughout the analysis, the increased agency of Central Asian states. Far from being passive dependents, these clients are actively leveraging the competing resource bases and differing patronal styles of Moscow and Beijing to navigate flexibly global shifts. The result is a regional order where the asymmetry inherent to patronage is mitigated by the clients' multi-vector diplomacy, ensuring that neither Russia nor China can claim an absolute monopoly over Central Asian dynamics.

Second, Russia's and China's engagement with the region does not occur in isolation but is shaped by their broader strategic alignment [Papageorgiou & Feklyunina 2025]. The absence of major tensions between Moscow and Beijing – despite shifts in their relative positions – has been facilitated by their shared pursuit of «a new model of international relations» – a multipolar system freed from Western/US hegemony and prioritizing post-liberal norms. Moreover, both Russia and China are interested in ensuring the stability of their neighbourhoods via some degree of direct control and the cultivation of friendly regimes; this holds true in Central Asia, too. While Beijing has vastly increased its regional influence, it recognizes Russia as a key enabler of the stability of Central Asian regimes. Conversely, for the time being Moscow views the influx of Chinese capital and infrastructure as a means to sustain regional development (also to Russia's own advantage) without the political conditionality inherent in Western aid.

This is not to suggest that Russian and Chinese interests are perfectly congruent [Wilson 2021] – but they are sufficiently convergent to preclude the securitization of bilateral relations [Berloto & Fasola 2025]. As noted by one reputable Russian scholar during a Stimson Center event in February 2026, the Russia-China relationship is not regulated by the logic of deterrence – unlike their respective relations with the West. The consolidation of opposing blocs in the European and the Pacific theatres following the Ukraine war has further reduced the chances of Moscow and Beijing drifting or being pulled apart [McFaul & Medeiros 2025, 4 April]. Within this context, it is unlikely that they will allow (potential) regional or local divergencies of interest to undermine their global partnership.

Bibliography

Alimov, Rashid, 2024, 21 May, 'Granite Does Not Melt: The Prospects for Cooperation Between Central Asia and Russia', *Valdai Discussion Club*, (https://valdaiclub.com/a/highlights/granite-does-not-melt-the-prospects/).

Anceschi, Luca, 2022, 'The Right Distance: Russia-Central Asia Relations in the Aftermath of the Invasion of Ukraine', *Russian Analytical Digest*, 289, pp. 2-4.

Anceschi, Luca, 2026, *Pandemic Politics in Central Asia*, London: Routledge.

Azimzhanova, Aiturgan, 2024, 16 August, 'Казахстан увеличил расходы на военную технику на 36,8%' (Kazakhstan increased its spending on military equipment by 36.8%), (https://kz.kursiv.media/2024-08-16/zmzh-tehnika-voennaya/).

Berloto, Sara, & Nicolò Fasola, 2025, 'Beyond the «Friend or Enemy» Paradigm: Exploring the Role of Worldviews and Self-Perceptions in Russia-China Relations (2008-2023)', *Europe-Asia Studies*, 77(8), pp. 1333-1356.

Biermann, Rafael, 2025, 'Patron-client relations in secessionist conflict: introducing the special issue', *Territory, Politics, Governance*, 13(1), pp. 1-8.

Biermann, Rafael, *unpublished manuscript*, 'Reconceptualising International Patron-Client Relations'.

Bordachev, Timofei, 2020, 30 September, 'South Caucasus and Greater Eurasia', *Valdai Discussion Club*, (https://valdaiclub.com/a/highlights/south-caucasus-and-greater-eurasia/).

Bordachev, Timofei, 2020, 28 December, 'Russia and Its Near Abroad', *Valdai Discussion Club*, (https://valdaiclub.com/a/highlights/russia-and-its-near-abroad/).

Bordachev, Timofei, 2021, 8 November, 'The Second Karabakh War: Lessons for Russia's Neighbours', *Valdai Discussion Club*, (https://valdaiclub.com/a/highlights/the-second-karabakh-war-lessons-for-neighbours/?sphrase_id=1738514).

Bordachev, Timofei, 2025, 20 May, 'Greater Eurasia and External Players', *Valdai Discussion Club*, (https://valdaiclub.com/a/highlights/greater-eurasia-and-external-players/).

Bordachev, Timofei, 2025, 30 May, 'Russia's Eurasian Priorities', *Valdai Discussion Club*, (https://valdaiclub.com/a/highlights/russia-s-eurasian-priorities/).

Bordachev, Timofei, 2025, 4 August, 'Russian and Its Neighbours Amid Global Uncertainty', *Valdai Discussion Club*, (https://valdaiclub.com/a/highlights/russia-and-its-neighbours-amid-global-uncertainty/).

CADGAT (Central Asia Data-Gathering and Analysis Team), 2019, 'BRI in Central Asia: Overview of Chinese projects', *Central Asia Regional Data Review*.

China BRI Network, 2023, 22 September, '发挥新疆独特优势　深化中吉合作内涵 - - 访中国 驻吉尔吉斯斯坦大使杜德文'(Leveraging Xinjiang's unique advantages to deepen China-Kyrgyzstan cooperation: An interview with Chinese Ambassador to Kyrgyzstan Du Dewen), (https://www.yidaiyilu.gov.cn/p/0SBE9L0T.html).

China's General Administration of Customs, 2025, 'General Administration of Customs — People's Replublic of China, (http://english.customs.gov.cn/).

China Military, 2019, 16 October, 'China, Kazakhstan conduct Fox Hunting-2019 joint counter-terrorism drill', (http://eng.chinamil.com.cn/CHINA_209163/TopStories_209189/9653518.html).

Chung, Chien-peng, 2004, 'The Shanghai Co-operation Organization: China's Changing Influence in Central Asia', *The China Quarterly*, 180, pp. 989-1009.

Cieślik, Andrzej, & Oleg Gurshev, 2024. 'Trade policies in Central Asia after EAEU enlargement and after Russian WTO accession: regionalism and integration into the world economy revisited', *Eurasian Geography and Economics*, 65(5), pp. 656-678.

Cooley, Alexander, 2013, 30 January, 'The League of Authoritarian Gentlemen', *Foreign Policy* (https://foreignpolicy.com/2013/01/30/the-league-of-authoritarian-gentlemen/).

Cooley, Alexander, 2021, 23 August, 'A Post-American Central Asia. How the region is adapting to the US defeat in Afghanistan', *Foreign Affairs*, (https://www.foreignaffairs.com/articles/afghanistan/2021-08-23/post-american-central-asia).

Cooley, Alexander, 2025, 16 April, 'Russia's Hidden Empire: How Moscow Has Rekindled Its Influence in the Post-Soviet Space', *Foreign Affairs* (https://www.foreignaffairs.com/central-asia/russias-hidden-empire).

Costa Buranelli, Filippo, 2018, 'Spheres of Influence as Negotiated Hegemony – The Case of Central Asia', *Geopolitics*, 23(2), pp. 378-403.

Deng, Hao, 2022, 'China's Diplomacy in Central Asia: Progress, Experience and Approaches', *China International Studies*, 4, pp. 15-40.

Dodikhudo, Anahita, 2023, 'Свято место пусто не бывает, или Как Пекин становится ближе для Таджикистана' (A Holy Place Is Never Empty, or How Beijing Is Becoming Closer to Tajikistan), RIAC, 13 September, (https://russiancouncil.ru/analytics-and-comments/columns/sandbox/svyato-mesto-pusto-ne-byvaet-ili-kakpekin-stanovitsya-blizhe-dlya-tadzhikistana/).

Dovery Vesterbye, Samuel, Shairbek Dzhuraev, & Andreas Marazis, 2023, 'Central Asian Media Consumption: a quantitative and qualitative assessment in the context of geo-politics', (https://internews.org/wp-content/uploads/2023/05/2023-03-ENC-Report-ENG-V8-POST-PRINT.pdf).

Dragneva-Lewers, Rilka, 2019, 'What Role for the Eurasian Economic Union in Eurasia?', in Elena Korosteleva, Zachary Paikin, and Stephen Paduano (eds.), *Five Years After Maidan: Toward A Greater Eurasia?*, pp. 34-38, LSE IDEAS, (https://www.lse.ac.uk/ideas/Assets/Documents/reports/LSE-IDEAS-COMPASS-UPTAKE-Greater-Eurasia.pdf).

Dragneva, Rilka, & Kataryna Wolczuk, 2017, *The Eurasian Economic Union: Deals, Rules and the Exercise of Power*, Chatham House, (https://www.chathamhouse.org/sites/default/files/publications/research/2017-05-02-eurasian-economic-union-dragneva-wolczuk.pdf).

Dukeyev, Berikbol, Dilfuza Mirzakhmedova, & Madina Tursonova, 2023, 23 December, Huawei's Growing Presence in Central Asia's Telecom Industry, (https://thediplomat.com/2023/12/huaweis-growing-presence-in-central-asias-telecom-industry/).

Dursun-Özkanca, Oya, 2025, 'Two-dimensional soft balancing in central Asia and the emerging regional order', *International Affairs*, 101(1), pp. 53-71.

George, Matthew, Katarina Djokic, Zain Hussain, Pieter D. Weseman, & Siemon T. Wezeman, 2025, 'Trends in International Arms Transfers 2024', SIPRI (https://www.sipri.org/sites/default/files/2025-03/fs_2503_at_2024_0.pdf#:~:text=Russia%E2%80%99s%20arms%20exports%20decreased%20by%2064%20per%20cent,data%20on%20transfers%20of%20major%20arms%20for%201950%E2%80%932024).

Guangming Daily, 2003, 27 October, '俄罗斯重返中亚' (Russia's return to Central Asia), (https://news.sina.com.cn/w/2003-10-27/0842998049s.shtml).

Grant, Andrew, 2025, 13 August, 'Expanding China's Geopolitical Influence through Peripheral Communication', *National Bureau of Asian Research*, (https://strategicspace.nbr.org/expanding-chinas-geopolitical-influence-through-peripheral-communication/).

Kazinform International News Agency, 2024, 21 December, Investment agreement signed for Chna-Kyrgyzstan-Uzbekisatn railway project, (https://qazinform.com/news/investment-agreement-signed-for-china-kyrgyzstan-uzbekistan-railway-project-037f5b).

Kim, Younkyoo, & Fabio Indeo, 2013, 'The New Great Game in Central Asia Post 2014: The US «New Silk Road» Strategy and Sino-Russian Rivalry', *Communist and Post-Communist Studies*, 46(2), pp. 275-286.

Krapohl, Sebastian, & Alexandra Vasileva-Dienes, 2020, 'The region that isn't: China, Russia and the failure of regional integration in Central Asia', *Asia Europe Journal*, 18(3), pp. 347-366.

Kuhrt, Natasha, 2025, 19 August, 'Sino-Russia Relations in Central Asia', Center for European Policy Analysis, (https://cepa.org/commentary/sino-russian-relations-in-central-asia/).

Larson, Deborah Welch, 2020, 'An equal partnership of unequals: China's and Russia's new status relationship', *International Politics*, 57, pp. 790-808.

Laruelle, Marlene, 2015, 'The «Russian World». Russia's Soft Power and Geopolitical Imagination', Center for Global Interests, (https://www.ponarseurasia.org/the-russian-world-russia-s-soft-power-and-geopolitical-imagination/).

Leksyutina, Ya.V., 2024, 'Chinese Policy in Central Asia in the Estimation of Chinese Experts', *Russia in Global Affairs*, 22(2), pp. 141-154.

Lemon, Edward & Ruslan Norov, 2025, 20 March, 'How China is Adapting to Tajikistan's Demand for Security Cooperation', Carnegie Endowment for International Peace, (https://carnegieendowment.org/posts/2025/09/how-china-is-adapting-to-tajikistans-demand-for-security-cooperation).

Malyasov, Dylan, 2025, 25 February, 'Uzbekistan buys Chinese air defense systems', (https://defence-blog.com/uzbekistan-buys-chinese-air-defense-systems/).

McFaul, Michael & Evan S. Medeiros, 2025, 4 April, 'China and Russia Will Not Be Split: The "Reverse Kissinger" Delusion', *Foreign Affairs*, (https://www.foreignaffairs.com/united-states/china-and-russia-will-not-be-split).

McGlinchey, Eric, 2019, 'Questioning Sinophobia in Central Asia', *PONARS Eurasia*, (https://ponarseurasia.org/wp-content/uploads/attachments/Pepm630_McGlinchey_Dec2019_0.pdf).

MOFA PRC, 2006, 15 June, '胡锦涛在上合组织成员国元首理事会第六次会议上的讲话' (Speech by Hu Jintao at the Sixth Meeting of the Council of Heads of State of the Shanghai Cooperation Organisation), Ministry of Foreign Affairs of the People's Republic of China, (https://www.mfa.gov.cn/web/gjhdq_676201/gjhdqzz_681964/lhg_683094/zyjh_683104/200606/t20060615_9388536.shtml).

MOFA PRC, 2016, 22 June, '中华人民共和国和乌兹别克斯坦共和国联合声明' (Joint Statement of the People's Republic of China and the Republic of Uzbekistan), Ministry of Foreign Affairs of the People's Republic of China, (https://www.fmprc.gov.cn/ziliao_674904/1179_674909/201606/t20160622_7947682.shtml).

MOFA PRC, 2018, 7 June, '中华人民共和国和吉尔吉斯共和国关于建立全面战略伙伴关系联合声明'(Joint Declaration of the Kyrgyz Republic and the People's Republic of China on the establishment of a comprehensive strategic partnership), Ministry of Foreign Affairs of the People's Republic of China, (https://www.mfa.gov.cn/web//gjhdq_676201/gj_676203/yz_676205/1206_676548/1207_676560/201806/t20180607_9294310.shtml).

MOFA PRC, 2019, 12 September, '中华人民共和国和哈萨克斯坦共和国联合声明' (Joint Statement of the People's Republic of China and the Republic of Kazakhstan), Ministry of Foreign Affairs of the People's Republic of China, (https://www.mfa.gov.cn/ziliao_674904/1179_674909/201909/t20190912_7947921.shtml).

MOFA PRC, 2022, 15 September, '中华人民共和国和乌兹别克斯坦共和国联合声明'(Joint Statement of the People's Republic of China and the Republic of

Uzbekistan), Ministry of Foreign Affairs of the People's Republic of China, (https://www.fmprc.gov.cn/zyxw/202209/t20220915_10766621.shtml).
MOFA PRC, 2023, 18 May, '中华人民共和国和吉尔吉斯共和国关于建立新时代全面战略伙伴关系的联合宣言'(Joint Declaration of the People's Republic of China and the Kyrgyz Republic on the Establishment of a Comprehensive Strategic Partnership in the New Era), Ministry of Foreign Affairs of the People's Republic of China, (https://www.mfa.gov.cn/web/ziliao_674904/1179_674909/202305/t20230518_11079705.shtml).
MOFA PRC, 2025, 1 September, '上海合作组织成员国元首理事会天津宣言' (Tianjin Declaration of the Council of Heads of State of the Shanghai Cooperation Organisation), Ministry of Foreign Affairs of the People's Republic of China, (https://www.gov.cn/yaowen/liebiao/202509/content_7038676.htm).
MOFA PRC, 2025a, 2 September, President Xi Jinping Meets with Turkmen President Serdar Berdimuhamedov, Ministry of Foreign Affairs of the People's Republic of China, (https://www.mfa.gov.cn/eng/xw/zyxw/202509/t20250902_11700777.html).
MOFA PRC, 2025b, 2 September, 'President Xi Jinping Meets with Uzbek President Shavkat Mirziyoye', Ministry of Foreign Affairs of the People's Republic of China, (https://www.mfa.gov.cn/eng/xw/zyxw/202509/t20250902_11700437.html).
MOFA RF 2008, 12 January, 'Foreign Policy Concept of the Russian Federation', Ministry of Foreign Affairs of the Russian Federation, (http://www.en.kremlin.ru/supplement/4116).
MOFA RF 2016, 30 November, 'Foreign Policy Concept of the Russian Federation', Ministry of Foreign Affairs of the Russian Federation, (https://www.russiamatters.org/sites/default/files/media/files/Foreign%20Policy%20Concept%20of%20the%20Russian%20Federation%20%28approved%20by%20President%20of%20the%20Russian%20Federation%20Vladimir%20Putin%20on%20November%2030%2C%202016%29%20-%20Asset%20Publisher%20-%20The%20Ministry%20of%20Foreign%20Affairs%20of%20the%20Russian%20Federation.pdf).
MOFA RF, 2023, 31 March, 'The Concept of the Foreign Policy of the Russian Federation', Ministry of Foreign Affairs of the Russian Federation, (https://www.mid.ru/en/foreign_policy/fundamental_documents/1860586/).
National Development and Reform Commission, 2023, 2 June, '中国–中亚峰会为地区繁荣发展注入新动力' (China-Central Asia Summit Injects New Momentum into Regional Prosperity and Development), (https://www.ndrc.gov.cn/wsdwhfz/202306/t20230602_1357181.html).
Niyazov, Niyazi, 2025, 15 April, 'Subjectivity of the South Caucasus States amid Global Turbulence', *Valdai Discussion Club*, (https://valdaiclub.com/a/highlights/subjectivity-of-the-south-caucasus-states-amid/?sphrase_id=1738514).
Omelicheva, Mariya Y., 2015, *Democracy in Central Asia: Competing Perspectives and Alternative Strategies*. Lexington: The University Press of Kentucky.
Ostrowski, Wojciech, & Ahlidin Malikov, 2025, 'Energy Rents, Remittances and Regional Trade Cooperation in Central Asia', *Europe-Asia Studies*, 77(5), pp. 798-827.
Ozat, Meray, 2023, 22 August, 'Navigating China's path to engagement in Central Asia'. *Caspian Policy Center*.
Pantucci, Raffaello, & Alexandros Petersen, 2022, *Sinostan: China's Inadvertent Empire*, Oxford: Oxford University Press.

Papageorgiou, Maria, & Valentina Feklyunina, 2025, 'Alignment as a process: Explaining the trajectory of the Sino-Russian relationship', *European Journal of International Security*, pp. 1-21.

Pizzolo, Paolo, & Andrea Carteny, 2022, 'The "New Great Game" in Central Asia: From a Sino-Russian Axis of Convenience to Chinese Primacy?', *The International Spectator*, 57(2), pp. 85-102.

Pomerlyan, Evgeniya, & Maksim Belitski, 2024, 'Regional integration and economic performance: evidence from the Eurasian Economic Union', *Eurasian Geography and Economics*, 65(5), pp. 627-655.

Putin, Vladimir, 2024, 27 November, 'Russia – Kazakhstan: a Forward-Looking Alliance Demanded by Life', (http://en.kremlin.ru/events/president/news/75671).

Rolland, Nadège, 2017, 'China's Eurasia Century? Political and Strategic Implications of the Belt and Road Initiative', *National Bureau of Asian Research*.

Seiwert, Eva, 2025, *The Shanghai Cooperation Organization and China's Vision of International Relations*, Bristol: Bristol University Press.

Shoemaker, Christopher, & John Spanier, 1984, *Patron-Client State Relationships: Multilateral Crises in the Nuclear Age*. Praeger.

Silvan, Kristiina, & Marcin Kaczmarski, 2023, 'Russia's Approach to Connectivity in Asia: From Cooperation to Coercion', *East Asia*, 40, pp. 317-334.

Sorbello, Paolo, 2022, 5 August, Former Russian President Questions Kazakhstan's Sovereignty, (https://thediplomat.com/2022/08/former-russian-president-questions-kazakhstans-sovereignty/).

Stein, Matthew, 2021, *Compendium of Central Asian Military and Security Activity*, Fort Levenworth, KS: Foreign Military Studies Office (FMSO).

Swanström, Niklas, 2014, 'Sino-Russian Relations at the Start of the New Millennium in Central Asia and Beyond', *Journal of Contemporary China*, 23(87), pp. 480-497.

Tahir, Muhammad, 2025, 20 June, 'Russia's shadow army: Central Asian migrants are dying in Ukraine', *Atlantic Council*, https://www.atlanticcouncil.org/blogs/new-atlanticist/russias-shadow-army-central-asian-migrants-are-dying-in-ukraine/).

The Astana Times, 2024, 23 December, 'China Shows Strategic Interest in Kazakhstan's Resource and Industrial Sector', (https://astanatimes.com/2024/12/china-shows-strategic-interest-in-kazakhstans-resource-and-industrial-sectors/#:~:text=ASTANA%20%E2%80%93%20Nearly%205%2C000%20companies%20with,report%20by%20Halyk%20Finance%20Research.).

The Moscow Times, 2025, 14 June, 'Rosatom to Build Kazakhstan's First Nuclear Power Plant', (https://www.themoscowtimes.com/2025/06/14/rosatom-to-build-kazakhstans-first-nuclear-power-plant-a89447).

The Times of Central Asia, 2025, 25 November, 'China's Zhongyun to Parnter on $300 M Seaport Project in Aktau', (https://timesca.com/chinas-zhongyun-to-partner-on-300m-seaport-project-in-aktau/).

The Washington Post, 2019, 18 February, 'In Central Asia's forbidding highlands, a quiet newcomer: Chinese troops', (https://www.washingtonpost.com/world/asia_pacific/in-central-asias-forbidding-highlands-a-quiet-newcomer-chinese-troops/2019/02/18/78d4a8d0-1e62-11e9-a759-2b8541bbbe20_story.html).

Tkachenko, Stanislav, 2024, 15 May, 'Russia and Central Asia: Bilateral and Multilateral Relations', *Valdai Discussion Club*, (https://valdaiclub.com/a/highlights/russia-and-central-asia-bilateral-and-multilateral/).

Trofimov, Alexander V., 2025, 16 May, 'Security across the Eurasian Space: The Architecture that Unites', (https://www.mid.ru/en/foreign_policy/reports/2018203/).

Trotsenko, Petr, 2021, 5 January, 'Controversial 'Russian Gift' Comments Spark Mixed Feelings In Northern Kazakhstan', *Radio Free Europe/Radio Liberty*, (https://www.rferl.org/a/kazakh-russian-gift-comments/31035059.html).

Umarov, Temur, 2019, 30 October, 'What's behind protests against China in Kazakhstan?', *Carnegie Moscow Center*, (https://carnegie.ru/commentary/80229#:~:text=The%20issue%20of%20giving%20land,Kazakh%20land%20away%20to%20foreigners.).

VOA News, 2024, 22 October, Kremlin moves to silence Russia war critics in Central Asia, (https://www.voanews.com/a/kremlin-moves-to-silence-russian-war-critics-in-central-asia/7832720.html).

Voyennoye Obozreniye, 2018, 18 June, 'Казахстан закупил китайские транспортники Y-8F-200WA' (Kazakhstan has purchased Chinese Y-8F-200WA military transport aircraft), (https://topwar.ru/143179-kazahstan-zakupil-kitayskie-transportniki-y-8f-200wa.html9.

Wei, Yunhui, 2025, 7 May, '周边命运共同体构建与亚太地区秩序重塑'(Building a Neighbourhood Community of Shared Future and the Reshaping of the Asia-Pacific Regional Order), (https://cn.chinadiplomacy.org.cn/2025-05/07/content_117861288.shtml).

Wilson, Jeanne L., 2021, 'Russia and China in Central Asia: Deepening tensions in the relationship', *Acta Via Serica*, 6(1), pp. 55-90.

Wong, Gabriel, 2025, 11 February, Diversifying Kazakhstan's Oil Exports from Russia, (https://lkyspp.nus.edu.sg/gia/article/diversifying-kazakhstan-s-oil-exports-from-russia).

World Bank, 2025, 'World Bank database', https://data.worldbank.org/indicator/BX-.TRF.PWKR.DT.GD.ZS?locations=TJ

World Bank-KNOMAD, 2020, 'Covid-19 Crisis through a Migration Lens', *Migration and Development Brief* 32, (https://knomad-ois.assyst.in/sites/default/files/2020-06/R8_Migration%26Remittances_brief32.pdf).

Xi, Jinping, 2013, '共同建设"丝绸之路经济带"' (Building Together a "Silk Road Economic Belt"). In 习近平谈"一带一路" (Xi Jinping on "One Belt, One Road"), *Beijing*: Zhongyang Wenxian Chubanshe, pp. 1-5.

Xinhua, 2019, 6 August, 'China, Kyrgyzstan hold joint counter-terrorism exercise', (https://www.xinhuanet.com/english/2019-08/06/c_138288443.htm).

Xinhua, 2025, 5 February, 'Xi holds talks with Kyrgyz president', (https://english.news.cn/20250205/dae5082b75014ae0b8e157fb8c617ba0/c.html).

Xinhua, 2025, 9 October, '中国－中亚公安内务部长会晤机制首次会议举行 王小洪出席并作主旨发言'(The first meeting of the China-Central Asia Public Security and Interior Ministers' Meeting Mechanism was held, with Wang Xiaohong attending and delivering the keynote address), (https://www.xinhuanet.com/politics/20240910/b945e1f1be094c988f5bb5541fae2c39/c.html).

Xinhua Novosti, 2025, 13 June,'Вдоль древнего Шелкового пути, Си Цзиньпин налаживает новые связи с Центральной Азией' (Along the ancient Silk Road, Xi Jinping forges new ties with Central Asia.), (https://russian.news.cn/20250613/a110e4501e3147acb32f5e6bb80bbce0/c.html).

Yau, Niva, 2022, 'Managing sentiments in the Western periphery: Chinese information operations in the Kyrgyz Republic', *OSCE Academy*.

Yau, Niva, 2023, 'Chinese soft power practice in the Kyrgyz Republic: «narratives»', *OSCE Academy*.

Ziegler, Charles E., 2024, 'Filling the Void Left by Great-Power Retrenchment: Russia, Central Asia, and the U.S. Withdrawal from Afghanistan', *Texas National Security Review*, 7(4), pp. 51-72.

SPECIAL ARTICLE

«We did not make a revolution to go backwards»: The Iranian women's uprising of march 1979 and its systematic erasure from historical memory

Hamideh Saberi

Independent Scholar
hamideh.saberi@unito.it

This article reconstructs the genealogy of the Iranian women's movement, establishing a critical historical linkage between the «Women's Uprising» of March 1979 and the «Woman, Life, Freedom» (Zhina) movement of 2022. While the mass protests of 1979 have been systematically erased from official state narratives, this study argues that the 2022 uprising is not an isolated phenomenon but the cumulative result of a forty-year struggle for bodily autonomy and political agency. The death of Mahsa (Zhina) Amini in September 2022 ignited unprecedented protests across Iran and the diaspora under the rallying cry: «Woman, Life, Freedom» (Zan, Zendegi, Azadi). While global media portrayed these protests as spontaneous, they represent the culmination of generations of feminist activism, resistance, and theoretical development within Iranian society. By employing a genealogical framework, the article analyzes the «intermediate episodes» of resistance that bridged these two eras, specifically the reformist press movement of the 1990s, the grassroots «One Million Signatures» campaign, and the «Girls of Revolution Street» movement in 2017. The findings demonstrate that the contemporary demand for regime change is deeply rooted in the unfinished business of 1979, having evolved from the initial defensive reaction against compulsory hijab into a proactive, autonomous political force that refuses to subordinate women's rights to other political ideologies.

Keywords – Iranian women's movement; 1979 revolution; compulsory hijab; Ayatollah Khomeini; feminist genealogy; Woman, Life, Freedom; Zhina Amini; political agency.

1. *Introduction*

On 8 March 1979, merely three weeks after the triumph of the Iranian Revolution, tens of thousands of women poured into the streets of Tehran in spontaneous protest against Ayatollah Khomeini's first declaration regarding the imposition of hijab (Islamic modest dress) in government workplaces. This uprising, which continued for five days despite violent repression,

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

represented the first major opposition movement to the nascent Islamic Republic and the largest women's demonstration in Iranian history [Esfandiari 2022, October]. Yet despite its magnitude, this movement has been systematically erased from the official narrative of the Islamic Republic and remains inadequately documented in scholarly literature [Saberi 2025].

This article posits that the «Women, Life, Freedom» protests of 2022 cannot be fully understood without reference to this suppressed history. Rather than viewing 1979 and 2022 as disconnected historical bookends, this research argues they are linked by a continuous «genealogy of resistance». The 2022 movement represents the maturation of the seeds sown in 1979, nurtured through decades of evolving strategies, from the reformist attempts to work within the system to the radical bodily defiance of recent years [Sadeghi 2018, p. 45].

To reconstruct this historical trajectory, this research employs a qualitative, historical-sociological approach. It draws on extensive archival research and original in-depth interviews with thirty-six women who participated in the 1979 protests. Furthermore, it utilizes the comprehensive oral history documentation provided by Mahnaz Matin and Naser Mohajer to analyze the specific mechanisms of the 1979 mobilization. The analysis is further contextualized through data from recent doctoral research, which examines the «middle years» of resistance, integrating the narratives of contemporary activists involved in the «One Million Signatures» campaign and the «Girls of Revolution Street» movement to map the continuity of the struggle.

The two-volume work *The Women's Uprising in Iran in March 1979: Another Birth*, authored by Mahnaz Matin and Naser Mohajer represents the first comprehensive academic examination of this critical episode. Their research, grounded in documents, newspapers, photographs, and collected oral histories, provides unprecedented insight into the uprising's background, participants, and implications, as well as the international feminist solidarity it generated [Matin & Mohajer 2013].

Understanding the 1979 movement is essential to comprehending the structural continuities and historical consciousness that animated the recent «Woman, Life, Freedom» (*Zan, Zendegi, Azadi*) movement following Zhina (Mahsa) Amini's death in September 2022 [Saberi 2025, 11 July]. The pattern established in March 1979, of women becoming the first organized opposition to the Islamic Republic's gender policies, [*New York Post* 1979, 8 March] has recurred throughout the regime's history. From Tehran to smaller cities across Iran's diverse provinces, women in both 1979 and 2022 spontaneously mobilized against mandatory hijab, revealing shared political consciousness transcending geographical, ethnic, and class divisions [Saberi 2023, p. 29]. This article demonstrates how Iranian women, who had actively participated in overthrowing the Shah's regime, became the first victims of the revolution [Moghadam 2004, 16-17 November] they helped achieve, establishing tensions that would define post-revolutionary Iran and find renewed expression in the 2022 nationwide protests.

2. *From revolutionary agents to primary targets*

Iranian women's participation in the 1979 revolution was extensive and significant. During the revolutionary movement against Mohammad Reza Shah, women stood shoulder to shoulder with men in this political struggle against the regime and fulfilled their agency despite the entrenched traditions and regressive beliefs that had limited them in various aspects of life. They participated in demonstrations, strikes, and various forms of political mobilization across class backgrounds, workers, students, professionals, and housewives [Ahmad & Banuazizi 1985, p. 3].

However, the transition from revolutionary participant to regime victim occurred with remarkable speed. Shahla Badi'i, a founding member of the National Union of Women who had been in exile during the Pahlavi era, described her immediate sense of foreboding upon Khomeini's return in February 1979. She recalled that «immediately after Khomeini's arrival, concerns about the restriction of women's rights had instilled fear and anxiety in the hearts of women» [Basiri 1999, pp. 130-156].

These concerns proved well-founded. Almost immediately after assuming power, the new regime moved to dismantle women's legal protections. The Family Protection Law,[1] which had provided women with minimal rights regarding marriage, divorce, and child custody through decades

1. The Family Protection Law (enacted in 1967 and revised in 1975) marked a pivotal shift in the Iranian state's approach to gender, transitioning jurisdiction from Shari'eh-based rulings to state-administered Family Protection Courts. This legislation, which paralleled the country's rapid industrial expansion and labour market needs, aimed to facilitate women's entry into the public sphere. Key provisions included raising the minimum marriage age for women to 18, granting women equal rights to petition for divorce, previously a unilateral right of the husband—and mandating that divorces be adjudicated by courts rather than clerics. The 1975 amendments further restricted polygamy by requiring both court permission and the first wife's consent, and established the mother as the legal guardian of her children in the event of the father's death.
The law was significantly shaped by the advocacy of Senator Mehrangiz Manuchehrian (1906-2000), who drafted the initial bill and championed it against severe opposition from conservative clerics who viewed the legislation as heresy and a threat to their societal influence. Manuchehrian, who founded the Iranian Women Lawyers' Association in 1951, faced intense personal attacks for her activism, including threats that forced her temporary departure from Tehran and a high-profile confrontation with Prime Minister Sharif-Emami over the requirement for spousal permission for travel, which ultimately led to her resignation from the Senate. Following the revolution, Ayatollah Khomeini abrogated the Family Protection Law on 26 February 1979 and revoked women's right to serve as judges on 3 March 1979. It can be argued that this immediate prohibition stemmed from Khomeini's pre-revolutionary confrontations with formidable legal scholars like Manuchehrian; he likely recognized that women possessing judicial authority could effectively deconstruct and challenge the patriarchal interpretations of Islamic jurisprudence (fiqh) that were foundational to his political vision.

of advocacy by women's rights activists, particularly Senator Mehrangiz Manuchehrian (1906-2000) [Ahmadi & Ardalan 2003] was repealed immediately on grounds of «opposition to Islamic law». Simultaneously, efforts began to impose compulsory hijab on women across Iranian society [Mir-Hosseini & Hamzić 2010, pp. 80-110].

A statement issued by women's groups captured their disillusionment: Iranian women expected that after the victory of the 1979 revolution, all the humiliations and insults against women would suddenly come to an end. They believed that «all the laws of the monarchy that discriminated against women in society and placed the control of her life in the hands of others should be relegated to the dustbin of history with the collapse of the monarchical regime» [Najafi 1979, 1 April, p. 1]. This realization led women to understand that to achieve freedom and equal rights, one must fight.

As Mahnaz Matin explained in an interview, the women who led the initial protest movement were not opposed to the revolution itself. Many had actively participated in overthrowing the Shah, and quite possibly for this very reason, they had the courage to take to the streets and declare: «We oppose the anti-women policies of the new regime» [Sadeghi-Boroujerdi 2013, 11 June]. Shirin Ebadi, who would later become Iran's first Nobel Peace Prize laureate, identified the precise moment of her political rupture with the regime. Speaking at the Nobel Peace Prize ceremony in Oslo on 11 December 2003, she stated that at exactly 8 a.m. on 8 March 1979, when she heard on national radio that working women had to come to work with Islamic hijab, she realized that Khomeini was a hypocrite and a liar, and from that moment separated her path from theirs [Iran International 2023, 11 December].

3. *The emergence of independent women's organizations*

The fall of Mohammad Reza Shah's regime precipitated a transformation in women's organizing. The Women's Organization, which had operated under state support during the Pahlavi era, ceased its activities. In its place emerged new independent women's groups with diverse political perspectives [Najmabadi 1991]. A 28-year-old teacher who became an early member of a newly established women's group recalled that questions about women's future began «a month before Khomeini's return to Iran». She explained that among women, «there was no tradition of organization at all, so women acted on their own, establishing women's groups among friends and colleagues to reflect on the situation» [Matin & Mohajer 2013, pp. 8-27].

Recognizing International Women's Day as an organizing opportunity, some women published a notice in a Tehran newspaper approximately three weeks before 8 March, signed by about 40 women, explaining the day's significance. A subsequent meeting held on 24 February to prepare

for 8 March demonstrations attracted between 200 and 250 women. By 8 March 1979, several women's groups had declared their existence, including the Women's Awakening Society, the Revolutionary Association of Women Fighters, and the Association of Women Fighters [Echo of Iran 1979].

Only a few groups from the Pahlavi era remained active, notably the Iranian Women's Rights Union led by Mehrangiz Manuchehrian. The Iranian Women's Rights Union took one of the earliest official stances, conveying its position in a letter to the new government on 1 March 1979 [Kayhan 1979, 1 March, p. 3]. Notably, this letter made only general references to enhancing women's status and avoided directly objecting to the regime's anti-women policies. Manuchehrian believed that Khomeini's personal practice of monogamy demonstrated his respect for women's rights. Mehrangiz Kar, a younger lawyer and women's rights activist, approached Manuchehrian with concerns about the impending loss of women's rights. Manuchehrian, who had a picture of Khomeini in her office, asked: «Why should we harbour doubts about him and prepare to oppose him?» [Kar 2018, ch. 4]. This faith in Khomeini's intentions, shared by many at the time, would soon be shattered.

Shahin Navai, co-founder of the National Women's Alliance, noted that 8 March had been prohibited from celebration during the Pahlavi era, which had instead designated Women's Day on the anniversary of Reza Shah's unveiling decree [Hoodfar 1999]. As Navai explained, when the 1979 revolution occurred, everyone was preparing to celebrate 8 March [Navai 1994].

4. *The hijab decree and spontaneous uprising*

The immediate catalyst for the uprising came in Ayatollah Khomeini's speech on Wednesday, 6 March 1979, at the Feizieh Seminary in Qom. Speaking before clerics, religious students, and scholars, Khomeini declared that in Islamic ministries, «there should be no disobedience», and «women should not come to the Islamic ministries and workplaces unveiled» [Paidar 1995, pp. 339-342]. Women could participate in workplaces, but they must observe the hijab, «preserving the boundaries set by the Shari'eh» [Sadr-Hashemi 1985].

The *Ettela'at* newspaper published an article on 7 March titled «Imam's Decree Regarding Islamic hijab», quoting Khomeini: «Islamic women are not dolls. Islamic women should appear with hijab, not demean themselves» [Sadr-Hashemi, 1985]. This marked the first instance of Khomeini disparaging a specific societal group.

On 8 March, female employees who went to work were prevented from entering their workplaces and instructed to return home and wear headscarves. Rather than complying, these women poured into the streets.

Those who did return home brought their families, notably their mothers, and joined the demonstrations [Jamileh Nedai, personal communication, Paris, 29 May 2022].

Figure 1. The woman holding a large placard with the message «Defend Freedom with and without hijab» is Jamileh Nedai.[2] She participated in the first demonstrations on 8 March 1979, by women against the compulsory hijab law imposed by Khomeini. (Source: personal collection of Jamileh Nedai)

8 March 1979 witnessed two concurrent yet distinct events in Tehran. The first comprised planned celebrations of International Women's Day organized by newly established women's groups at the University of Tehran. The second event, the spontaneous uprising against compulsory hijab, emerged independently when working women, nurses, and schoolgirls who had been turned away from their workplaces converged on the streets [Moghissi 1996]. The *Kayhan* newspaper reported that fifteen thousand women who held a lecture session at the Faculty of Engineering decided to march, chanting slogans such as «We are against despotism» and «We don›t want compulsory veiling», moving toward the Prime Minister's office [Foundation of Historiography 1979, 8 March, p. 3].

2. Nedai was a prominent theatre actress during the second Pahlavi era, an art graduate, and the wife of director Bijan Mofid. She worked for the radio station until the announcement of the mandatory hijab law, at which point she stopped attending work in protest and participated in all demonstrations opposing the decree.

Figure 2. Photo from the personal album of Jamileh Nedai. The placard states: «We demand a government founded on the principles of equality and equity between all individuals Men and Women, regardless of gender».

It is crucial to recognize that many women protesting compulsory hijab were not acquainted with 8 March as International Women's Day, and it is equally inaccurate to portray the initiators of the 8 March celebrations as the architects of the anti-hijab movement [Saberi 2025, p. 111]. However, the demonstrations of working women altered the predetermined plans of leftist women's groups, and many women present at the university events left the lecture halls to join the street protesters [Fatehrad 2015].

Kate Millett (1934-2017), an American feminist who witnessed the demonstrations firsthand, wrote in her book *Going to Iran* that five thousand women marched from the gates of the University of Tehran towards the city centre and government offices, «facing guns, having initiated the revolution» [Millett 1982, p. 120]. In an interview, Millett expressed astonishment that in America, organizing a demonstration on such a scale would typically necessitate years of planning, yet in Tehran, approximately a thousand people had independently gathered seemingly overnight [Politique et Psychanalyse 1979, 8 March]. Beyond Tehran, women in other cities organized solidarity demonstrations. In Isfahan, Tabriz, Mashhad, and Shiraz, women staged sit-ins and street demonstrations echoing the democratic slogans emerging from the capital, demonstrating that women's opposition to mandatory veiling transcended regional, class, and educational differences [Foundation of Historiography 1979, 8 March].

5. *Democratic slogans and political consciousness*

The women's protests were characterized by the democratic nature of their slogans, which emerged spontaneously without prior preparation. The protesters chanted «We did not make a revolution to go backwards», «Freedom is neither Eastern nor Western; it is universal», «In the dawn of freedom, the place of women's rights is vacant», «The freedom of women is the freedom of society», «An Iranian woman fighter will not be a slave», and «Women are hardworking; the hardworking are free» [Mulard 2010].

These slogans reveal sophisticated political consciousness that transcended immediate grievances. The assertion that freedom is universal directly challenged the Islamic Republic's anti-imperialist framing, which positioned women's rights as Western impositions incompatible with Iranian or Islamic identity. The slogan connecting women's freedom to societal freedom articulated prophetic understanding: the suppression of women's autonomy would inaugurate broader authoritarian repression. As Matin and Mohajer note, this was a time when reactionaries, with the cooperation of liberal, nationalist, religious-nationalist, and leftist currents, were imposing their political supremacy on the revolutionary movement, a time when the majority of society was pinning its hopes on Islamic forces and drawing lines against dissenters, and a time when hostility towards anything suggestive of free thinking and modernism were considered virtues [Matin & Mohajer 2013].

Tens of thousands of women rose up, motivated by humanistic ideas and relying on the Universal Declaration of Human Rights, swimming against the mainstream with courage and without opportunism, undeterred by the risk of damaging the «unity» of «popular» forces. Women's statements emphasized: «We must all make it clear to our brothers that attacking women's rights is the beginning of an attack on freedom in society» [Najafi 1979, 1 April, p. 14]. This warning proved prescient, as the successful suppression of the women's movement emboldened the Islamic Republic to proceed with systematic elimination of press freedom, political pluralism, and labour organizing.

6. *Organized violence and repression*

Despite the peaceful nature of the women's demonstrations, they were met with organized violence from the first day. The newspaper headline read «Women's Protests Turn Violent» [Ayandegan 1979, 8 March]. ITN's Jon Snow reported on gunshots during demonstrations, documenting acts of aggression and verbal abuse by Hezbollah forces, as well as aerial shooting by Committee forces [ITN Archive 1979, 11 March].

The coordination and readiness of many Basij men demonstrated that disruption of the women's march was thoroughly planned. Many formed

lines in front of the university to prevent thousands of women from joining the protests, physically obstructing their passage with beatings. These assailants rushed at women with slogans such as «We follow the Quran, we don't want immodest women», «Western doll, go away», and «Neither Eastern nor Western, Islamic Republic». They broke and tore women's umbrellas and threw snowballs at them [Jamileh Nedai, personal communication, Paris, 25 May 2022]. It was in this context that the slogan «Either the veil or a hit on the head» (*Ya rusari ya tusari*) was introduced for the first time.[3] Prior to this, extremist Shia groups had not dared to confront women; however, seemingly through Khomeini, they received permission, and the desecration of women's dignity was mandated as Shari'eh law.

On 9 March 1979, the French newspaper *Libération* published an article with the headline «Iran: le foulard ou la raclée» (Iran: the scarf or the beating), stating that groups of men were lurking in the streets of Tehran, targeting women whose hair were free and whose neck and legs were visible [Libération 1979, 9 March].

Libération

Denain: le fourneau a explosé

Iran: «le foulard ou la raclée»

Figure 3. Archives de Libération, Paris, «Iran: le foulard ou la raclée», Libération, 9 March 1979, cover page.

3. These slogans have been referenced in nearly every academic work related to the struggle of Iranian women following the 1979 revolution and have been documented by various newspapers. For example, see Behnoud [2020, 13 February].

The Women's Rights Defence Committee issued a statement questioning whether women have the right to decide for themselves how they want to dress, noting that many women have been injured by knives, chains, stones, and acid for the «crime» of being unveiled, and declaring that the issue of women's freedom has become the focal point of freedom for all the oppressed [Women's Rights Defence Committee 1979, 10 March]. Farideh Zebarjad recounts in her memoir *Trembling* her mother's warnings on 8 March, predicting that the Mullahs would not stop at just putting headscarves on women but would cover their bodies with abayas and force them to stay at home, ruining women's lives [Zebarjad 2008]. These predictions proved accurate over subsequent decades.

7. *The abandonment by political forces*

Perhaps the most significant aspect of the March 1979 uprising was the failure of secular and leftist political forces to support the protesting women. Although secular women with diverse political and ideological orientations were the driving force behind the uprising, they failed to find adequate support within the broad spectrum of male secular forces in society. The vast majority of revolutionary political groups of that era, from the left wing and liberals to religious and secular groups, abandoned the women who protested against compulsory hijab, either through direct opposition or by remaining silent, which facilitated the subsequent intensification of protestor suppression and the further erosion of women's rights [Tabari 1982].

Anti-imperialism and nationalist movements often held simplistic views regarding women's liberation. A key question was whether women should participate only as nationalists or also confront gender oppression alongside foreign dominance. The Algerian liberation movement was an early example of this challenge. Frantz Fanon believed that as women engaged in revolution, men would recognize their equality. However, the outcomes of the Algerian Revolution, as well as the Constitutional and 1979 Iranian Revolutions, showed that this belief did not hold true [Shahidian 1994, pp. 223-247]. Women realized that their agency was only acknowledged as long as it served male-dominated power structures. One bitter experience for women was the realization that political entities virtually disregarded women's rights and did not prioritize them. Another painful truth was that despite the magnitude of their protests, women, devoid of meaningful influence within power structures, were incapable of instigating change.

Zhaleh Ahmadi explains in her article «Hijab and Islamic Totalitarianism and Opposition» that the hijab united thugs with Mullahs close to the centre of power. For both groups, women served as the screen onto which they projected their desires, anxieties, and obsessions about honour; as

such, women had to be removed from public view and confined to the private sphere [Ahmadi 2003].

8. *International feminist solidarity*

Whilst domestic political forces abandoned the Iranian women's uprising, it evoked substantial enthusiasm amongst European and American feminists. The movement that emerged in support of Iranian women can be considered the first manifestation of international feminist solidarity on such a scale. The Iranian women's uprising resonated beyond Iran's borders amongst women's activists and feminists worldwide, receiving modest but symbolically significant support [Millett 1982, p. 120].

Kate Millett, an influential figure in women's rights activism and author of *Sexual Politics*, travelled to Iran during this period. Her experiences were documented in *Going to Iran* [Millet 1982]. Millett was invited by the Committee on Artistic and Intellectual Freedom in Iran (CAIFI), based in New York. The International Committee for Women's Rights, chaired by Simone de Beauvoir, was formed on this occasion and sent a delegation to Iran with the aim of supporting the Iranian women's uprising. Global solidarity with Iranian women activists led to hundreds of gatherings, conferences, marches, and protests in major cities around the world, including Rome, Milan, Madrid, Barcelona, Montreal, Vancouver, New York, and Washington. Dozens of articles, statements, and pamphlets about the legitimacy of the Iranian women's uprising were printed and distributed worldwide, with headlines such as «We Are All Iranian!» and «Women's struggle for freedom knows no bounds!» [Chan-Malik 2011, pp. 122-125; Burns 1979, 27 March].

France demonstrated the strongest solidarity. Through the efforts of Iranian groups who accompanied the French team, a remarkable film, *The Iranian Women's Movement, Year Zero*, was produced documenting the women's march of 1979 [Boissonnas et al. 1979]. Simone de Beauvoir gave a speech at a press conference in Paris, underscoring the importance of feminists worldwide collecting information regarding the challenges Iranian women were facing. She urged them to forge connections and bolster the women's cause, pointing out that it was crucial for feminists to comprehend the specific demands of Iranian women. De Beauvoir believed Western feminists should not impose their viewpoints upon others; rather, her approach was to extend support to Iranian women from their own perspective. She proposed that the initial step should be to understand the situation fully and establish direct communication with Iranian women, emphasizing that the task was fundamentally one of information gathering, «a mission to acquire knowledge so as to put themselves in touch with Iranian women, to understand their demands, and to comprehend the methods they intend to employ in their struggle» [de Beauvoir 2015, pp. 265-269].

However, whilst women's rights activists around the world recognized and supported the legitimacy of this movement, most left, centre, and right-wing parties, politicians, and organizations, as well as many intellectual and political tendencies, both in Iran and globally, proved unable to comprehend the authenticity and potential of this movement and turned a blind eye to it.

9. *The evolution of resistance: From despair to public defiance (1990s-2019)*

While the 1979 uprising was suppressed, the movement for women's rights did not perish; rather, it underwent a complex metamorphosis, evolving from acts of desperate refusal to organized legalism, and finally, to performative public defiance. This trajectory can be understood through three distinct phases that paved the way for the 2022 uprising.

Phase 1: The Politics of Despair (1990s) The post-war era of the 1990s was characterized by the consolidation of state control over the female body, creating an atmosphere of suffocation. In this period, resistance was often individual and existential. This desperation crystallized in the tragic figure of Dr. Homa Darabi, a brilliant academic dismissed from her university position for «improper veiling». In February 1994, Darabi committed self-immolation in a public square in Tehran. Her death was not merely a personal tragedy but a profound political statement, a «somatic protest» demonstrating that the state's bio-political control over women had become a matter of life and death [Darabi & Thomson 1999].

Phase 2: Legal Reform and Civil Society (2000s) The 2000s witnessed a strategic shift toward pragmatism and civil society organization. Women activists attempted to work within the system to dismantle discriminatory laws through discourse and petition [Mir-Hosseini 2006]. The most significant manifestation of this was the «One Million Signatures Campaign», where activists like Rezvan Moghaddam utilized face-to-face engagement to educate women about their legal rights regarding marriage and inheritance [Saberi 2025, p. 29; Tohidi 2017]. Simultaneously, the era saw the rise of prominent human rights lawyers, such as Nasrin Sotoudeh, who faced imprisonment for defending dissidents. This period proved that Iranian women were not passive victims but politically sophisticated agents capable of organizing complex, grassroots networks despite the authoritarian context.

Phase 3: The Visual Turn and the Reclamation of Public Space (2010s) The 2010s marked a «visual turn» facilitated by the digital era. Campaigns such as «My Stealthy Freedom» and «White Wednesdays», initiated by Masih Alinejad, allowed women to document their defiance, effectively breaking the state's monopoly on truth and shattering the wall of fear [Alinejad 2018]. This digital activism materialized into physical reality in December 2017 with Vida Movahed, the «Girl of Revolution Street». By silently waving

her white headscarf on a utility box, Movahed transformed the female body from a site of repression into a flag of resistance.

However, the cost of this struggle remained high. The self-immolation of Sahar Khodayari (known as the «Blue Girl») in 2019, facing prison for attempting to enter a football stadium, served as a stark reminder of the continuity of oppression. Her death highlighted that the restrictions on women extended beyond clothing to a total «gender apartheid» that excluded women from public joy and social life. These cumulative traumas and acts of defiance created the combustible material that would eventually ignite the 2022 uprising.

10. *Conclusion*

The Iranian women's uprising of March 1979 represents the foundational chapter of the current struggle, a critical yet systematically erased episode that holds the key to understanding the present. To comprehend the «Woman, Life, Freedom» movement of 2022, one must look back to this historical genesis. The resistance did not begin in 2022; it began on 8 March 1979, less than a month after the revolution, when tens of thousands of women poured into the streets of Tehran to challenge the immediate imposition of the hijab. They chanted a slogan that remains analytically piercing today: «We did not make a revolution to go backwards».

These women understood a fundamental truth that their male counterparts ignored: a society cannot be free if it enslaves half its population. However, their prescience was met with a historic betrayal. The political left, nationalists, and liberals, prioritizing «unity» against imperialism over human rights, effectively told women to «go home», arguing that the battle against the West took precedence over gender equality. This was the pivotal historical mistake. By sacrificing women's rights for a monolithic anti-imperialist front, these political forces allowed the theocratic regime to consolidate its power, pushing the women's movement into the margins and paving the way for decades of systemic repression.

This political abandonment allowed the state to enforce what constitutes a «Dual Patriarchy», a concept elaborated in my doctoral research. Following the suppression of the 1979 uprising, Iranian women found themselves entrapped by two converging forces of oppression: a Private Patriarchy, enforced by fathers and husbands within the domestic sphere, and a Public Patriarchy, codified and enforced by the state and its laws. The mandatory hijab became the symbolic and practical intersection of these two forces, granting the state intimate control over women's bodies while reinforcing traditional male authority in the family.

Consequently, the 2022 uprising represents the shattering of this dual structure. The «Woman, Life, Freedom» movement is the maturation of the

seeds sown in 1979, nurtured through the reformist debates of the 1990s and the civil society activism of the 2000s. It marks the moment where Iranian women refused to accept the «historical mistake» of 1979 any longer. By rejecting the subordination of their rights to other political ideologies, the women of 2022 are finally reclaiming the agency denied to their mothers and grandmothers, proving that the struggle against the «Dual Patriarchy» is the central axis of Iran's fight for democracy. The legacy of 1979 persists not as a memory of defeat, but as a testament to an unfinished revolution that is finally being completed.

Bibliography

Ahmad, Ashraf, & Ali Banuazizi, 1985, 'The State, Classes, and Modes of Mobilization in the Iranian Revolution', *State, Culture and Society*, 1(3), pp. 3-40..

Ahmadi Khorasani, Nushin, & Parvin Ardalan, 2003, *Senator: Mehrangiz Monazherian's Activities within the Context of Women's Legal Struggles in Iran*, Tehran: Nashr-e Tose'e.

Ahmadi, Zhaleh, 2003, 'Hijab and Islamic Totalitarianism and Opposition', *Arash*, 84.

Alinejad, Masih, 2018, *The Wind in My Hair: My Fight for Freedom in Modern Iran*, Boston, MA: Little, Brown and Company.

Ayandegan, 1979, 8 March, Centre for Historical Documents Research, Tehran, Iran, under the Journals category, Ayandegan: From the Pahlavi Era to Post-Revolution, under the title:'Women's Protests Turn Violent'.

Basiri, Nasrin, 1999, *We Were Beautiful*, Berlin: Noghte.

Behnoud, Masoud, 2020, 13 February, 'Zahra Khanom, namad-e shahri ke zan-e sorkh-push nadasht' (Zahra Khanom, the Symbol of a City Without a Woman in Red), *BBC Persian*.

Boissonnas, Sylvina, Claudine Mulard, & Michelle Muller, 1979, *Mouvement de Libération des Femmes Iraniennes, Année Zéro* [Documentary Film], (https://www.film-documentaire.fr/4DACTION/w_fiche_film/67322).

Burns, Michael, 1979, 27 March, 'Thanks, but No Thanks', *The Baltimore Sun*.

Chan-Malik, Sylvia, 2011, 'Chadors, Feminists, Terror: The Racial Politics of U.S. Media Representations of the 1979 Iranian Women's Movement', *The Annals of the American Academy of Political and Social Science*, 637(1), pp. 112-140.

Darabi, Parvin, and Romin P. Thomson, 1999, *Rage Against the Veil: The Courageous Life and Death of an Islamic Dissident*, Amherst: Prometheus Books.

de Beauvoir, Simone, 2015, 'Press Conference of the International Committee for Women's Rights', in Margaret A. Simons & Marybeth Timmermann (eds.), *Simone de Beauvoir: Feminist Writings*, Urbana: University of Illinois Press.

Esfandiari, Haleh, 2022, October, 'The Iranian Revolution of the Women, by the Women, for the People: How decades of women-led protest could bring a violent misogynist regime to its knees', *Women without Borders, Policy Paper*, 3.

Fatehrad, Azadeh, 2015, *Photography, Desire and Resistance in the Lives of Women, Following the 1979 Revolution in Iran*, PhD Dissertation, Royal College of Art.

Foundation of Historiography, 1979, 8 March, 'Image of the Ettela'at Newspaper, March 8, 1979: Extensive Reflection of the Imam's Views on Islamic Hijab', Foundation of Historiography and Encyclopedia of the Islamic Revolution (https://iranemoaser.ir/۱۳۵۷-دنفسا-۱۷-یزور-نینچ-ردشیپ-لاس-لهچ/).

Hoodfar, Homa, 1999, *The Women's Movement in Iran: Women at the Crossroads of Secularization and Islamization*, Grabels: Women Living Under Muslim Laws.

Iran International news broadcast Interview, Shirin Ebadi, on December 11, 2023, at the following link: https://www.youtube.com/watch?v=Zw4AmYZsSwo&t=7s.

Iran Who's Who 1976, 1979, 3rd ed., Tehran: Echo of Iran.

ITN Archive, 1979, 11 March, 'Jon Snow Reports on Women Protesting Compulsory Head-Coverings in Tehran' (https://www.youtube.com/watch?v=mjE-yjIAvq4).

Kar, Mehrangiz, 2018, *How We Came to Veiling*, United States: Book Company.

Kayhan newspaper, 1979, 1 March, p. 3.

Libération, 1979, 9 March, 'Iran: «le foulard ou la raclée»'.

Matin, Mahnaz, & Naser Mohajer, 2013, *The Uprising of Iranian Women in 1979, Volume 2*, Cologne: Noghte Publications.

Millett, Kate, 1982, *Going to Iran*, New York.

Millett, Kate, 1970, Sexual Politics, New York.

Mir-Hosseini, Ziba, 2006, 'Muslim Women's Quest for Equality: Between Islamic Law and Feminism', *Critical Inquiry*, 32(4), pp. 630-640.

Mir-Hosseini, Ziba, & Vanja Hamzić, 2010, *Control and Sexuality: The Revival of Zina Laws in Muslim Contexts*, London: Women Living Under Muslim Laws.

Moghadam, Valentine M., 2004, 16-17 November, 'Women in the Islamic Republic of Iran: Legal Status, Social Positions, and Collective Action', presented at the conference *Iran After 25 Years of Revolution: A Retrospective and a Look Ahead*, Woodrow Wilson International Centre for Scholars.

Moghissi, Haideh, 1996, *Populism and Feminism in Iran: Women's Struggle in a Male-Defined Revolutionary Movement*, New York: St. Martin's Press.

Mulard, Claudine, 2010, 'Téhéran, mars 1979, avec caméra et sans voile', *Les Temps Modernes*, 661.

Najafi, Parvin, 1979, 1 April, 'Women's Gatherings and Marches: We Iranian Women Will Not Be Imprisoned', *Worker*, 1(1).

Najmabadi, Afsaneh, 1991, 'Hazards of Modernity and Morality: Women, State and Ideology in Contemporary Iran', in Deniz Kandiyoti (ed.), *Women, Islam, and the State*, Philadelphia: Temple University Press.

Navai, Shahin, 1994, 'The Experience of Iranian Women's Organizations After the 1997 Revolution', in Golnaz Amin (ed.), *Yearbook of the Conference of the Foundation for Iranian Women's Studies*, Los Angeles.

Paidar, Parvin, 1995, *Women and the Political Process in Twentieth-Century Iran*, London: Cambridge University Press.

Politique et Psychanalyse, 1979, 8 March, 'Mouvement de Libération des Femmes Iraniennes – Année Zéro Pratique'.

Saberi, Hamideh, 2023, 'The (Hidden) Iranian Women in History', *Rahavard Quarterly Bilingual Journal of Persian Studies*, 143.

Saberi, Hamideh, 2025, 11 July, 'Unveiling Change: How Mahsa Amini's Death Transformed Iran's Feminist Movement', *ISPI*.

Saberi, Hamideh, 2025, *The Role of Religion: Gender Identity Formation in Late Modern and Contemporary Iran*, PhD dissertation, Università degli Studi di Torino.

Sadeghi, Fatemeh, 2018, *The Sin of the Woman: Interrelations of Religious Judgments in Zoroastrianism and Islam*, Berlin: Klaus Schwarz Verlag.

Sadeghi-Boroujerdi, Eskandar, 2013, 11 June, 'The Post-Revolutionary Women's Uprising of March 1979: An Interview with Nasser Mohajer and Mahnaz Matin', *Iran Wire*.

Sadr-Hashemi, Mohammad, 1985, *History of Newspapers and Media in Iran*, Vol. 4, 3rd ed., Isfahan: Kamal Publications.

Shahidian, Hammed, 1994, 'The Iranian Left and the Women's Question in the Revolution of 1978-79', *International Journal of Middle East Studies*, 26(2), pp. 223-247.

Tabari, Azar, 1982, 'Islam and the Struggle for Emancipation of Iranian Women', in Azar Tabari & Nahid Yeganeh (eds.), *In the Shadow of Islam: The Women's Movement in Iran*, London: Zed Press, pp. 5-25.

Tohidi, Nayereh, 2017, *The Women's Movement and Feminism in Iran: Revisiting a "Glocal" Perspective*, London: Routledge.

Women's Rights Defence Committee, 1979, 10 March, 'Ettela'ieh-ye Komiteh-ye Defa' az Hoquq-e Zanan' (Statement of the Women's Rights Defence Committee), *Ayandegan*.

Zebarjad, Farideh, 2008, *Trembling*, Paris: Noghte.

SPECIAL ARTICLE

«Colonialism of a Dual Nature»: Fayez A. Sayegh, the Palestine Research Center and a Palestinian genealogy of the settler colonial paradigm

Enrico Bartolomei

Independent researcher
bartolomeienrico@yahoo.it

This article traces the intellectual genealogy of the analysis of Zionism as a form of settler colonialism, arguing that its core concepts were first systematically developed in the mid-1960s and early 1970s within Palestinian anti-colonial thought. Focusing on the contributions of the Palestine Research Center and, in particular, on the work of Fayez A. Sayegh, who first conceptualized Zionism as a «colonialism of a dual nature», it shows that ideas later central to settler colonial theory, such as the logic of elimination, the primacy of land over labour, the permanence of settler structures, and the racialization of sovereignty, were already clearly articulated within the Palestinian liberation movement. It further examines how this framework shaped Palestinian diplomatic efforts at the United Nations, including Resolution 3379 (1975), and underpinned the proposal for a single democratic state in historic Palestine. The article calls for a reassessment of settler colonial theory's genealogy, recognizing Palestinian thought as a foundational contribution to the field.

Keywords – Fayez A. Sayegh; Palestine; Zionism; settler colonialism; anti-colonial thought; PLO Research Center; Resolution 3379; decolonisation; racial ideology; Palestinian political thought.

1. *Introduction*

In recent years, settler colonial studies have emerged as a distinct interdisciplinary field, marked by the proliferation of conferences, scholarly works, and a dedicated academic journal. Settler colonialism is understood as a specific colonial domination that operates not primarily through the extraction of Indigenous labour or resources, but through the elimination of Indigenous presence and its replacement with incoming settler populations who assert exclusive claims to land and sovereignty.[1] The settler colonial

1. See the foundational works of the field: Wolfe [1999]; Wolfe [2006]; Veracini [2010]; Veracini [2011].

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

«turn» has proven particularly influential in the study of Israel/Palestine, where Zionism has increasingly been understood as a form of settler colonialism characterized by land appropriation, the displacement and elimination of the Indigenous Palestinian population, and the establishment of a racially exclusive settler state [Busbridge 2018; Sa'di and Masalha 2013]. Such a reading helps account for both the foundations and recurrent patterns of Zionist violence, the structural asymmetry between settlers and natives, and the persistent failure of diplomatic agendas premised on parity or partition, which portray Israeli Jews and Palestinians as equivalent actors rather than as embedded in a hierarchical settler-colonial relationship [Salamanca et al. 2013].

However, this analytical framework did not originate within the contemporary academic field of settler colonial studies. From the early twentieth century through the post-1948 period, Arab and Palestinian intellectuals clearly identified the structural aspects of Zionist colonization of Palestine that contemporary scholarship now recognises as defining features of settler colonialism [Pappé 2015; Bhandar and Ziadah 2016; Sabbagh-Khoury 2021]. In the early twentieth century, as European powers partitioned Arab territories after World War I and Zionist settlement consolidated under the British Mandate, many Palestinian intellectuals increasingly characterized Zionism as a European-backed colonial project. Land transfers from absentee landlords, resulting in the displacement of Arab tenant farmers, the policy of «Hebrew labour» favouring Jewish workers over Arab labourers, and the establishment of autonomous Jewish institutions were all interpreted as mechanisms for creating a separate settler society, intentionally distinct from the indigenous Arab population. Although the formal terminology of settler colonialism had not yet developed, Palestinian writers at that time effectively described the particular form of colonialism they were witnessing, one characterized by foreign imperial backing, permanent settlement of Jewish settlers, exclusive land ownership, and economic and social separation, with the ultimate goal of altering the demographic balance of Mandatory Palestine.

While these early Palestinian reflections on Zionism remain significant, they largely focused on the immediate consequences of Jewish immigration. They did not yet conceptualize Zionism as a distinct form of settler colonialism. It was only with the emergence of an independent Palestinian national liberation movement in the mid-1960s that Zionism began to be systematically analyzed through a settler colonial lens. This was also part of a broader effort to develop a strategic discourse aimed at securing international solidarity by linking the Palestinian struggle to global anti-colonial movements, thereby transforming the Palestinian cause from a localized nationalist movement or a regional dispute over borders and refugees into part of a broader anti-imperialist framework. In this context, the Palestine Research Center, founded in Beirut in 1965 as the main research arm of the Palestinian Liberation Organisation (PLO), played a major role in organizing and facilitating the intellectual effort to define Zionism as a form of

settler colonialism and provided Palestinian scholars with a platform to conduct a systematic examination of the various aspects of Zionism and Israeli society.[2] Early publications of the Research Center and the journal *Shu'ūn Filasṭīniyya* contributed to the development of the vocabulary used to describe the Palestinian anti-colonial struggle and the specific colonial enterprise it confronted. Their influence extended far beyond academic circles, influencing the intellectual and ideological underpinnings of the PLO's political discourse and international strategy during the 1960s and 1970s.[3]

This article seeks to contribute to the reconstruction of an intellectual genealogy that has received limited scholarly attention so far. Within this genealogy, Fayez A. Sayegh (1922-1980) stands out as one of the earliest and most rigorous theorists of Zionist settler colonialism. The article places Sayegh's work within the context of the Palestine Research Center, explores the affinities between his conceptualisation of Zionism and later settler-colonial theory, and assesses how this framework influenced legal and diplomatic efforts at the United Nations (UN). The article further examines how Palestinian resistance organizations framed Zionism as a form of settler colonialism and how this understanding informed a political vision of decolonization through the establishment of a single democratic state in all of historic Palestine. It argues that Palestinian anticolonial discourse not only prefigures key ideas later developed in settler colonial theory but also provides conceptual tools for understanding the enduring and structural dynamics that continue to sustain Zionist settler-colonial violence in Palestine. While much research on this topic remains to be done, this study suggests that many of the concepts and terminology later formalized within settler-colonial studies had already been articulated with remarkable clarity in mid-twentieth-century Palestinian anti-colonial thought.

2. *«Colonialism of a dual nature»*

Fayez A. Sayegh, founder and first director of the Palestine Research Center, was the key figure in this intellectual development.[4] Through his combined

2. For a bibliographic list of the publications of the Palestine Research Center see Husary [2018]. Among the most recent studies of the Palestine Research Center's intellectual legacy and publications, especially regarding Zionism, see Gribetz [2024]. For historical background, see: Sleiman [2016] and Jiryis and Qallab [1985].

3. Across their large body of publications, they also helped develop and circulate the analogy between Israel and other apartheid regimes like South Africa and Rhodesia, which later would shape much of the scholarship and international legal debates on the subjects of racism and colonialism. For instance, in 1969, the Palestine Research Center published Richard Stevens' essay on Zionism in South Africa [1969].

4. Born in Kharaba, Syria, in 1922 to a Christian family and raised in Palestine, Fayez Abdallah Sayegh left for the United States in 1947, earning a PhD in philosophy from Georgetown University. He later held academic appointments at Yale,

work as a scholar, educator and diplomat, he exercised significant intellectual influence in shaping the PLO's political discourse and diplomatic strategy during the late 1960s and 1970s, a formative period for Palestinian national institutions. Acting as a diplomatic advocate of the Palestinian cause in international forums, he also left an enduring mark on how it was perceived worldwide. Sayegh was one of the earliest scholars who offered a comprehensive interpretation of Zionism as a form of settler colonialism rooted in racial exclusivism. Undoubtedly, his understanding of Zionism was influenced by the global wave of decolonization struggles that defined the 1950s and 1960s and by the anti-colonial theory emerging from international forums such as the Non-Aligned Movement. Writing during the height of Asian and African liberation movements, he placed Zionism within the same analytical categories used to critique other European settler projects, such as Algeria under French settler rule, and South Africa and Rhodesia under white minority domination. In particular, the struggle against apartheid in South Africa allowed for drawing parallels between racial separation policies there and Israeli practices toward Palestinians.[5]

Stanford, Oxford, Macalester College, and the American University of Beirut. While in Lebanon, he was active in the Syrian Social Nationalist Party for a few years until he was expelled after disputes with his founder. In the PLO's institutions, he served as a member of the Executive Committee from 1964-66, during which he was also Director General of the Palestine Research Center and as a member of the Palestine National Council (PNC) from 1964-80. A prolific scholar, Sayegh authored numerous monographs on Palestine, Zionism, Arab nationalism, and the United Nations. He also served with the Lebanese, Yemeni, and Kuwaiti delegations to the UN, eventually becoming chief of the Arab States delegation. From 1968 until his death in 1980, he was the Rapporteur of the Special Committee established under the International Convention on the Elimination of All Forms of Racial Discrimination (ICERD).

5. In this regard, it is worth noting that in its 1962 program, the South African Communist Party coined the concept of «colonialism of a special type» to analyse the settler-colonial nature of apartheid South Africa. The term, which later exerted considerable influence on the strategy of the African National Congress, was developed to describe the specific form of colonialism where both the colonizer and the colonized lived in the same country, with South Africa's white minority functioning as an internal colonizing force, economically and politically dominating the black majority. In comparative terms, it is interesting to note how the concept of «colonialism of a special type» and Sayegh's formulation of Zionism as «colonialism of a dual nature», though emerging in different political contexts, were both products of the 1960s anti-colonial theory and share notable similarities, especially in the way both systems institutionalized racial hierarchy through law and territorial segregation. However, whereas the concept of «colonialism of a special type» identified racial capitalism and the exploitation of Black labour as the structural foundation of settler domination, Sayegh's formulation of «colonialism of a dual nature» identified the driving logic of Zionism not in labour extraction but in demographic replacement, resulting in far graver consequences for the Indigenous population. While the first concept describes a system of internal colonial *exploitation*, Sayegh describes a form of settler colonial *elimination*.

In his seminal work, *Zionist Colonialism in Palestine* [Sayegh 1965], he formulated what can now be recognized as an ante litteram definition of settler colonialism.[6] Long before the consolidation of contemporary settler colonial theory, Sayegh recognized its fundamental logic: the inherent drive to eliminate the Indigenous presence and replace it with a settler polity claiming exclusive sovereignty on the land.[7] According to Sayegh, Zionism represents a specific form of colonialism characterized by a «dual nature»: on the one hand, it entails the expulsion and eradication of the Indigenous population; on the other hand, it involves the establishment and solidification of a racially exclusive settler polity. The colonization of Palestine, he argues:

> Took the combined form of forcible dispossession of the indigenous population, their expulsion from their own country, the implantation of an alien sovereignty on their soil, and the speedy importation of hordes of aliens to occupy the land thus emptied of its rightful inhabitants. The people of Palestine have lost not only *political control* over its country, but *physical occupation* of its country as well: it has been deprived not only of its inalienable right to *self-determination*, but also of its elemental right to *exist* on its own land. [Sayegh 1965, p. v]

Sayegh identified three core features of Zionist settler colonialism. The first one is its racist character. In his view, racism lies at the heart of Zionist colonialism, serving as both its ideological justification and the driving force behind the displacement of the Indigenous population. The Zionist racist character gives rise to three interrelated principles that form the core of its ideology: «racial self-segregation, racial exclusiveness, and racial supremacy» [*Ibid.*, p. 22]. The Zionist project of building a society grounded on the principle of Jewish racial supremacy could only be realized under conditions of Jewish self-segregation and exclusive possession of the land. The expulsion of non-Jews (that is, of Palestinians) thus emerges as a fundamental premise of Zionist racial supremacism: «If *racial discrimination* against the 'inferior natives' was the motto of race-supremacist European settler-regimes in Asia and Africa, the motto of the race-supremacist Zionist settler-regime in Palestine was *racial elimination*» [*Ibid.*, p. 27]. Through his reading of Zionism as a form of European race supremacism, Sayegh was able to draw comparative parallels with other racially exclusive regimes, anticipating what would later emerge as «the apartheid analogy» [Fischer

6. *Zionist Colonialism in Palestine* was published in its 'Palestine Monographs' series in English, French, and Arabic in September 1965.

7. Patrick Wolfe's formulations that settler colonialism is «a structure and not an event» and that it operates through a «logic of elimination» resonate with Sayegh's «dual logic of dispossession and replacement». In this sense, his analysis of Zionism also anticipates later theoretical distinction between settler colonialism and other extractive or exploitative forms of colonialism, further theorized by Veracini.

2020]. In his perspective, the dominance of a logic of racial elimination over a logic of racial discrimination renders the Zionist project distinct from, and in several respects more brutal than, the apartheid regimes of South Africa or Rhodesia.

The second defining feature of Zionism is its «dependence on violence» against the Arab population, who become targets simply by virtue of their continued presence on the land. Violence here is not incidental but constitutive, a systematic tool for clearing land and displacing populations, aimed at securing and perpetuating settler rule: «The perennial aim of Zionism was and still is statehood in all of Palestine (called by Zionists "Eretz Israel", or the Land of Israel), completely emptied of its Arabs» [Sayegh 1965, p. 33].[8] The third feature of Zionism is considered to be its «expansionist orientation», consistent with the historical Zionist objective of establishing a Jewish state in Eretz Israel, that is, across the entirety of the biblical «Land of Israel», encompassing the territory of Mandate Palestine, the Kingdom of Jordan, southern Lebanon, and the southern and southeastern regions of Syria [*Ibid*., pp. 21-35].[9] This understanding of sustained, structural violence is now echoed in the concept of al-Nakba al-Mustamirra (the ongoing catastrophe), central to Palestinian contemporary political discourse, which interprets the 1948 Nakba not as a historical event confined to the past but as a continuing process of dispossession and displacement.

Unlike colonial systems based on economic or resource extraction, which may allow for the coexistence of colonizer and colonized, Sayegh clearly understood that settler colonialism is intrinsically eliminationist. Zionism poses an existential threat to the Palestinian people. Since Indigenous claims to land and sovereignty contradict the settler narrative of exclusive entitlement, Zionist colonialism is «essentially incompatible with the continued existence of the 'native population'» [p. 5]. Coexistence, therefore, is structurally impossible: «by its very nature, racial self-segregation precludes integration or assimilation» [*Ibid*., p. 22].

In sum, Sayegh argued that Zionist settler colonialism, characterized by racial supremacy, systemic violence, and expansionism, renders the erasure of the Palestinian presence an inherent feature of its project. The «dual nature» of Zionism that Sayegh identified served as the basis for a collective intellectual effort within the Palestine Research Center, where Palestinian scholars looked at Zionism through a racial and settler-colonial lens and integrated those analyses into a larger comparative framework. The following section considers two of the main contributions of the Palestine Research Center on this topic.

8. The Palestine Research Center further explored this topic in Bishuti [1969].

9. On this topic, see The Palestine Research Center's two publications: Razzouk [1970] and Kishtainy [1970].

3. *«How to get the land and get rid of the natives»*

Building on Fayez A. Sayegh's examination of the structural aspects of Zionist colonialism, Hasan Saab extended the analysis to its ideological and racial dimensions. In *Zionism and Racism*, written in 1968 under the auspices of the Research Center, Saab looks at how Zionist thinkers, influenced by European racial doctrines, developed the concept of a coherent, exclusivist Jewish «race». Saab argues that Zionist ideology conflates nationalism with a racialized perspective, in which Jews are not merely a religious or cultural group, but a distinct, biologically defined race with a unique destiny tied to the land of Palestine. This ethno-national understanding of Jewish identity supports Zionism's claims about land and people, making the building of a Jewish state inherently linked to the racial exclusion of Palestinians and other non-Jewish groups. Israel is often seen as a safe haven for Jews from antisemitism; nevertheless, the country actually enforces differences between Jews and Arabs, Zionist and anti-Zionist Jews, and even between Western and Eastern Israeli Jews, revealing its structural and ideological commitment to a racial hierarchy.

Zionism should therefore be regarded as part of the broader history of modern racial ideologies, rather than as an exception to European racism; it is, in fact, one of its historical expressions. Saab drew explicit comparisons between Zionism and antisemitism, emphasizing how Zionist racial doctrines mirrored Nazi Aryanist principles through analogous racialized notions of collective identity:

> The concept of a «chosen race», in Zionism, differs from the concept of a «chosen race» in Nazism, only in the identity of the race – the Zionists speaking of a «Jewish race», and the Nazis of an «Aryan race». Racial consciousness led the two ideologies to the belief in a super-race or super-nation, which is endowed with a special historic destiny and called upon to fulfill a unique cultural mission. [Saab 1968, p. 9]

Saab's *Zionism and Racism* laid the basis for successive Palestinian critiques that depicted Zionism as a form of racism, drawing parallels with other systems of racial exclusion and discrimination. His portrayal of Zionism through a racial perspective also contributed to the PLO's international advocacy by aligning the Palestinian cause within the same analytical framework used to critique apartheid and colonial racism. This framing would prove particularly relevant in UN debates during the 1970s.

Another substantial contribution from the PLO Research Center was George Jabbour's Settler Colonialism in Southern Africa and the Middle East [Jabbour 1970], one of the first scholarly works to explicitly use the term «settler colonialism» and apply it within a comparative analytical framework. It argues that Zionism is part of the same family as the white-su-

premacist settler states in Southern Africa. In the introduction of his essay, Jabbour states:

> There is a pattern of behavior which is identical in its general lines exhibited by those European settlers who have formed political entities in non-European lands; that this pattern of behavior is quite recognisable in South Africa, Southern Rhodesia, and Israel; and that it is therefore warranted to study those experiments within the framework of this behavior. [*Ibid*., p. 7]

With striking analytical clarity, Jabbour advanced ideas that would later become key pillars of settler-colonial theory, namely the distinction between «traditional» and settler colonialism, and the argument that, in settler-colonial contexts, the primary objective is the control of land rather than the exploitation of labour. Settlers are «land-hungry people» [*Ibid*., p. 38], claims Jabbour; they are «permanently there» and «invariably preoccupied with the question of acquiring land» [*Ibid*., p. 7]. While many traditional colonial systems were primarily focused on the extraction of labour (the exploitation of Indigenous or imported populations for economic purposes), settler colonialism is motivated by the need to secure land, reshape it, and establish a permanent and exclusive colonial order:

> The settlers' systematic acquisition of land enabled them to secure the material (geographic) basis of their states. As to the natives, they were either pushed away to parts of their original lands «reserved» for them (South Africa and Southern Rhodesia) or else driven out of their lands rather completely (Israel). [*Ibid*., p. 39]

The emphasis on the permanence of settlement anticipates the later understanding of settler colonialism as a distinct, self-perpetuating system of domination that continues to shape Indigenous-settler relations (including land ownership, access to resources, and political representation) long after the initial acts of colonial conquest. This perspective aligns Israel with the white supremacist settler states of Southern Africa:

> Declared espousal of discrimination, on the basis of race, colour or creed, without the need to feel apologetic about it, is the distinguishing feature of settler colonialism. Because the settlers are well-entrenched in the lands they acquire, settler colonialism is not as easy to dismantle as traditional colonialism. The colonialists here were not overseas agents who came to the colonies on duty; they were permanently stationed in the colony, permanently in control of the natives and permanently fortifying their positions of strength. [*Ibid*., p. 8]

Settler colonialism is inherently violent, argues Jabbour, with indigenous populations subjected to systematic and inhumane treatment that surpasses what is typically observed under classical colonial regimes: «when

the settlers were confronted with the natives, they treated them almost as a subhuman species» [*Ibid.,* p. 57]. Settlers consistently assert a position of superiority (racial, cultural, or religious) reinforced through conquest and domination. While similar attitudes toward the native population can be observed in South Africa and Rhodesia, the Palestinian situation was considerably harsher. In this case, «the «ordinary» European superiority toward the natives is reinforced by the Zionist ideology and the whole religious-historical concept of the Jews being a chosen people» [*Ibid.,* p. 59].

As Jabbour points out, violence and terror are structural features because «the Zionists want the lands empty» [*Ibid.,* p. 54]. Unlike in Southern Africa, where indigenous populations were exploited as a labour force, in Palestine the settlers sought removal rather than exploitation: « they did not want them as cheap labor but as evacuees» [*Ibid.,* p. 62]. Zionist settlers were mainly concerned with maintaining their own purity and showed little interest in engaging with the Indigenous population: «For them the question was essentially how to get the land and get rid of the natives of the land» [*Ibid.,* p. 201]. It is clear that this is not only a matter of taking control of the land, but of transforming its very nature.

In retrospect, the work of these authors laid much of the conceptual groundwork that would later be formalized within contemporary settler-colonial studies. Developing their analyses from the specific context of Palestinian dispossession and exile, they outlined the fundamental characteristics that continue to define the academic field: the structural nature of colonization, the logic of eradication underpinning settler expansion, the racialization of sovereignty, and the intrinsic impossibility of coexistence under settler dominance. Subsequent scholarship drew directly on these seminal contributions.[10]

The intellectual efforts of the Palestine Research Center soon acquired political relevance as the analytical framework developed by these authors, most notably Sayegh himself, was translated into legal and diplomatic arguments at the UN, particularly in the debates that culminated in Resolution 3379. We now turn to the making and meaning of this Resolution.

4. *«A form of racism and racial discrimination»*

The comparison between Zionism and other settler and racist regimes extended beyond analytical inquiry; it also carried strategic weight, anchoring the Palestinian question within the anti-colonial and anti-racist discourse

10. Later works would consolidate the analysis of Zionism and Israel through the lens of settler colonialism. Some of these include: Trabulsi [1969]; Rodinson [1973]; Abu Lughod and Baha Abu Laban [1973]; Hilal [1976]; and Zureik [1979].

that dominated international legal debates in the 1960s and 1970s.[11] In this context, Fayez A. Sayegh's interventions in the UN constitute one of his most enduring legacies. His analysis of Zionism, combined with his diplomatic engagement, shaped the discourse that led to UN General Assembly Resolution (UNGA) 3379, of which he was one of the main architects, stating that «Zionism is a form of racism and racial discrimination» [UNGA 1975]. While his role as Rapporteur of the Committee on the Elimination of Racial Discrimination (CERD) provided a formal platform to frame Israel's policies toward Palestinians in terms of racial discrimination, his position as representative of the Kuwaiti mission at the UN enabled him to work closely with other Arab states' delegations in drafting, presenting and advocating for UNGA 3379 before the General Assembly plenary [Erakat 2025].

Between 1973 and 1975, Sayegh delivered four statements on Zionism before the UN's Third Committee and the Special Political Committee [Sayegh 1976]. In these speeches, he linked Zionism to the basic ideas of settler colonialism and racial domination. He argued that Zionism was not simply a nationalist movement but an exclusionary, racist ideology that institutionalized Jewish superiority. By defining Jewish identity in ethnic-national rather than religious terms, Zionism sought to establish an exclusivist state (a Jewish state, or *Judenstaat*) based on the displacement and exclusion of the indigenous Palestinian population.

The Zionist program aimed to accomplish its goals through two interconnected processes. First, it sought to gather Jews from around the globe into a designated territory. Second, it aimed to remove as many non-Jews as possible from that same territory to accommodate the incoming Jewish populations. Sayegh used a powerful metaphor to make this point, comparing the Zionists' logic of replacement to the heart's rhythm of coordinated inflow and outflow. Just as the heart functions through the simultaneous actions of pumping blood in and pumping it out, this interpretation suggests that Zionism relies on both the influx of Jews and the outflow of non-Jews to establish a Jewish state:

> As in the beating of the heart two rhythmic operations – a pumping-in and a pumping-out operation – are indispensable for the heartbeat, so in the heartbeat of Zionism the pumping-in of Jews and the pumping-out of non-Jews are indispensable for the fulfillment of the goal of Zionism: the establishment of the *Judenstaat*. [*Ibid*., p. 8]

Moreover, under racially discriminatory policies, Palestinians who were expelled are not permitted to return, while those who were not «pumped out» suffer unequal treatment due to non-Jewish identity. Sayegh contends that Zionism instituted a system of «distinctions, exclusions, re-

11. On the relevance of international law to the Palestinian question, see Yahia [1970] also published by the Palestine Research Center.

strictions, and preferences» [*Ibid*., p. 11] grounded on descent and ethnic origin, as defined by the UN, thereby aligning it with apartheid and white settler regimes in Southern Africa.

As this article suggests, the arguments presented here emerge from a decade-long effort by Palestinian scholars at the Palestine Research Center to develop a coherent body of ideas on the nature of the Zionist colonization of Palestine. In his earlier writings, Sayegh depicted Zionism as a racial and settler-colonial regime that combines the demographic goals of settler colonialism with the ideas of racial superiority. In diplomatic international forums, and particularly at the UN, he translated these arguments into the language of international law, describing Zionism as a form of racism deserving the same moral and legal condemnation reserved for the crime of apartheid. It is no coincidence that UNGA 3379 was passed at a crucial moment in history, when many newly independent states from Africa, Asia, and the Arab world were redefining the moral and legal language of international politics. Indeed, it was part of a global campaign to define racial discrimination and apartheid as violations of international law and threats to international peace and security, particularly through the adoption of the International Convention on the Elimination of All Forms of Racial Discrimination (1965) and the International Convention on the Suppression and Punishment of the Crime of Apartheid (1973), and that culminated with the UN's Decade for Action to Combat Racism and Racial Discrimination (1973-1983). The Non-Aligned Movement, the Organisation of African Unity, and the Soviet bloc united to launch this international campaign aiming to oppose South Africa's apartheid system. Building on this global anti-racist and anti-colonial momentum, UNGA 3379 linked the Palestinian struggle to the broader fight against institutionalized racism and colonial domination, proving both moral legitimacy and a legal foundation for Palestinian claims. In fact, it begins by citing Resolution 3151, passed on 14 December 1973, which condemned the «unholy alliance between South African racism and Zionism» [UNGA 1973]. Later, other UN documents that condemned both apartheid and Zionism used the same language.

Nevertheless, compared with earlier UN resolutions condemning South Africa's apartheid regime, which were lengthy, detailed, and called for concrete measures such as sanctions or arms embargoes, Resolution 3379 was remarkably brief and purely declaratory. It labelled Zionism as a form of racism but recommended no specific actions or enforcement mechanisms. This reflected political necessity: a short, symbolic formulation made it easier to maintain a broad coalition within the General Assembly, avoiding divisive debates over sanctions or implementation that might have eroded support, especially in the Non-Aligned Movement and among African countries, some of which were cautious about escalating tensions with Western powers and Israel. Its significance, therefore, lay less in practical enforcement and more in symbolic and ideological impact: it sought

to place Zionism within the UN's growing body of resolutions addressing racism, apartheid, and colonialism, making a moral and political determination rather than initiating a program of action.

Sayegh's involvement with the UN marked the concrete realisation of his earlier theoretical work. He succeeded in translating his theoretical framework into the legal language of international law, thereby giving his argument both intellectual coherence and diplomatic leverage. *Zionist Colonialism in Palestine* and *Four Speeches* provided much of the conceptual basis that informed Resolution 3379. His framing of Zionism through the lens of settler colonialism and racism made Palestinian dispossession legible within the UN's anti-racism conventions and its broader legal architecture opposing colonialism, allowing the Palestinian cause to be connected to the growing tide of global decolonization movements and anti-apartheid struggles. For the PLO, this was a strategic chance to not only question the ideological legitimacy of Israel but also to set the stage for its diplomatic isolation. Even though the Resolution was repealed in 1991, the idea of Zionism as a racial and settler-colonial project continues to influence both academic research and decolonial practices today.[12]

5. *«The worst type of occupation»*

The Palestine Research Center maintained a close and continuous relationship with the resistance movement, serving as an ideological bridge between scholarly production and the ideological and strategic development of the Palestinian liberation movement. Palestinian resistance groups drew on the settler-colonial framework developed by the Palestine Research Center's intellectuals to conceptualize Zionism as a form of settler colonialism. One of the first articulations of this framework appears in Fatah's Studies and Revolutionary Experiences pamphlet «The Liberation of Occupied Countries and the Method of Struggle Against Direct Colonialism» [Fatah 1967], part of a series aimed to educate cadres and sympathizers on the anti-colonial nature of the Palestinian struggle. While in this study, as well as in other early documents, Fatah does not explicitly employ the exact term «settler colonialism», its analysis of Zionism clearly reflects an understanding consistent with the core ideas of settler colonial theory. For Fatah, Zionism was not merely a form of «direct colonialism» (*al-istiʿmār al-mubāshir*), which typically

12. It is therefore not surprising that, with the shift in the global geopolitical landscape, UNGA 3379 was ultimately revoked in 1991. The revocation of Resolution 3379 by UNGA Resolution 46/86 was adopted in the post-Cold War context, under U.S. and Israeli pressure, and was agreed to by the PLO as a condition for joining the so-called «Oslo peace process». Subsequent U.S.-led talks reframed the Palestinian question from a national liberation struggle as a conflict resolution issue, sidelining its racial and colonial dimensions.

entails temporary military occupation by a foreign power, but rather a more comprehensive and enduring system based on the permanent implantation of settlers, the displacement of the indigenous population, and the reorganization of land and social structures to serve settler interests:

> The worst type of occupation (*iḥtilāl*) is that which takes the form of settler colonialism (*al-istiṭān*), when the invading countries attempt to bring groups of their own populations to replace the indigenous people of the land, carrying out an aggressive role of dispersing, exploiting, or exterminating them. The French settlement in Algeria was a vivid example of this, and an even worse example is the Zionist occupation of part of Palestine, the usurpation of that territory, and the displacement of its people. This colonial plague has spread to many parts of the world, such as Rhodesia and South Africa. [*Ibid*., p.4]

The Arabic term al-istiṭān literally denotes the act of settling or the permanent colonization of land. Within modern Palestinian and Arab anti-colonial discourse, however, it carries a more specific meaning: it refers to a form of colonialism based on displacing the indigenous population from the land and establishing permanent settler sovereignty, rather than simply exploiting resources. In this sense, al-istiṭān corresponds to what is now termed in contemporary scholarship as «settler colonialism», and its use marks an early recognition of this distinct colonial form based on dispossession and replacement, one that fundamentally differs from other types of foreign domination, such as direct military occupation or indirect colonial control.[13]

Fatah viewed Zionism as a form of settler colonialism that went beyond the narrower bounds of traditional colonial rule, resulting in structural, demographic, and territorial transformations that permanently altered Palestinian society and its relationship to the land. The problem is not just occupation, but a colonial structure aimed at replacement:

> History has witnessed a new and particularly brutal form of colonisation, whose depth and violence were manifested in the expulsion of an entire people from their homeland, the occupation of their land, the fragmentation of their social structures, and the imposition of extermination (*ibādah*) upon them. […]. The Zionist invasion, in reality, represents an occupation in the harshest form, for our people have been replaced by a group of alien elements who came from various human societies. The Zionist movement gathered them together, and their invasion represents a colonialist movement (*ḥarakat isti'māriyya*) with a racist character [Ibid., p. 17].

13. This is why, in this context, «settler colonialism» is the most accurate translation of *al-istiṭān*.

In this formulation, Zionist colonialism is described as a project that builds a new society on the ruins of the indigenous one, «removing the social imprints of the oppressed population and severing it from its natural environment». Thus, the liberation struggle is conceived not only as the overthrow of an imperial presence but also as the dismantling of the entire settler-colonial structure, including its military, political, and economic institutions, to prevent their re-emergence. The goal, then, goes beyond military defeat. It includes the «comprehensive de-Zionisation of the territory».

Whether Marxist or nationalist, Arab and Palestinian thinkers depict the Zionist project primarily through their lived experience of exile and dispossession: Israel is frequently described as an externally imposed colonial project, a settler base directly tied to Western imperialism, aiming at the usurpation of land and the eradication of the Palestinian presence. While at this stage the exact terms «settler colonialism» or «*al-istiʿmār al-istiṭānī*» were not always employed, their analysis clearly reflected the notion that Israel constituted a settler-colonial project operating according to the logic of demographic replacement. For example, already in the Palestinian National Charter (1964; revised 1968) Zionism is explicitly defined as «a movement organically linked with international imperialism, racist and fanatical in nature, aggressive, expansionist, colonialist in its aims (*ʿudwāniyya, tawassuʿiyya, istīṭāniyya*), and fascist in its methods» [PLONC 1968, Art. 22]. Here, the settler-colonial framing is carried by the expression *istīṭāniyya*. In Fatah's publications of that time, Israel is often described as a «settler-state» [Fatah 1970, 2 April, p. 12]. In the analysis of the Marxist Popular Front for the Liberation of Palestine (PFLP), Israel is defined primarily according to the role it plays within the global imperialist system: it is a colonial outpost implanted on Arab land, organically linked to the global Zionist movement, and used by U.S. imperialism to counter progressive Arab movements, thereby ensuring the exploitation of the human and material resources of the Arab world. In its 1969 programmatic manifesto, *A Strategy for the Liberation of Palestine* [PFLP 1970], Israel is referred to as a «colonialist expansionist presence (*wujūdan tawassuʿiyyan istīʿmāriyyan*)» and as «an imperialist and colonialist base (*qāʿidatan imbiriyāliyya wa-istīʿmāriyya*)» and Zionism as «an aggressive racial movement (*ka-ḥaraka ʿunṣuriyya ʿudwāniyya*) connected with imperialism».[14]

A critical engagement with Palestinian anticolonial literature reveals that the concept of settler colonialism was clearly present, both semantically and conceptually, even before the terminology of the settler-colonial theory became standardized in later scholarship. By the late 1960s and throughout the 1970s, both the English «settler colonialism» and the Ara-

14. The document's Arabic text can be accessed through the official PFLP website archives.

bic «*al-isti'mār al-istiṭānī*» began to appear more frequently in analytical and political writings, including publications of the Palestine Research Center and other resistance organizations, gradually replacing earlier expressions such as «direct colonialism», «colonialism of a dual nature», and «settler-state». A notable example is the Political Statement issued during the Fifth Session of the Palestine National Council [PNC 1969], held in Cairo on 4 February 1969, at a time when the guerrilla organizations were consolidating their control over the PLO and electing Yasir Arafat as Chairman of the Executive Committee. The statement clearly describes Zionism as a settler-colonial project:

> We have been forced to follow that road [of resistance and liberation] thanks to the Zionist movement which is a form of settling colonialism (*al-ḥaraka al-ṣahyūniyya al-isti'māriyya al-istīṭāniyya*) and which is in collusion with the imperialist nations, particularly the United States, for there is no other way to repel the Zionist-imperialist invasion of the Arab homeland, which has established a bridgehead in Palestine.[15]

Starting in the early 1970s, these terms began to appear more frequently in the literature of the Palestinian resistance movement. For instance, the PFLP used this (or very similar) expression in the Political Report of its Third National Congress, held in March 1972, both in the original Arabic document and in its official English translation: «Firstly, ours is a difficult, complex and ruthless struggle. In addition to those general aspects of liberation struggle […], there is the specificity of our own struggle, where Zionist settler-imperialism (*al-isti'mār al-isti'ṭānī*, in the Arabic text) defends its existence in a life or death battle» [PFLP 1972, p. 84], and later in the same document, commenting on the Israeli policies of expansionism in the territories conquered in 1967, it reiterates that «Israel has gone a long way towards achieving this transfer from settler-colonialism to imperialist expansionism (*min al-isti'mār al-isti'ṭānī ilā al-tawassu' al-imperiyālī*)» [*Ibid*., p. 61].[16]

Other examples of its use by resistance groups can be found in the early political documents of the Democratic Popular Front for the Liberation of Palestine (DPFLP, later DFLP), such as the 1970 essay *Towards a Democratic Solution to the Palestinian Question*, which states that «the Israeli society was built up through a colonial settlement operation in the shadow of Zionist reactionary chauvinistic ideology» [DPFLP 1970, p. 11]. In the 1971 document *Proposals to the 9th Palestinian National Congress* [DPFLP 1971], Is-

15. ««Settling colonialism» is the expression used in the original English translation. For the original Arabic text, see: Nasrallah [1971] Both transcripts can be accessed online through *The Interactive Encyclopedia of the Palestine Question*, an online platform conceived by the Institute for Palestine Studies.

16. For the Arabic text, I referred to the official document [PFLP 1972]. The English version [PFLP 1973] is available on the PFLP official website.

rael is described as «the Zionist colonial-settler state», a term that would be used more frequently in the Political Program of 1975 [DFLP 1975]:

> Zionism is a reactionary racialist movement (*ḥarakah ʿunṣuriyyah rajaʿiyyah*) which is firmly tied to world imperialism and which constitutes a negation of the national existence of the Palestinian people […]. The Zionist project grew and developed under the aegis of British colonialism, and it now maintains its racialist and settler-colonial institutions (*fī iṭār shūfīnī wa-istiʿmārī-istiṭānī*) thanks to the wide-ranging support of American imperialism. [*Ibid*., pp. 23-24]

Elsewhere in the text, Israel is framed as a «racialist and settler-colonial project (*al-mashrūʿ al-istiʿmārī al-istiṭānī al-ʿunṣurī*)» [*Ibid*., p. 30].[17]

This clearly indicates that Arab and Palestinian intellectuals, as well as the PLO and the main resistance organizations, had already expressed the concept of «settler colonialism» via the Arabic phrase «*al-istiʿmār al-istiṭānī*», which explicitly conveys the notion of a distinct type of colonialism driven by a logic of population replacement. By the mid-1990s, as settler colonialism was developing into a distinct academic field with its specific analytical vocabulary, the Arabic term *«al-istiʿmār al-istiṭānī»* started to gain wider circulation among Arab and Palestinian scholars. This clearly reflected the growing influence of global settler-colonial theory and the scholars' intention to employ this terminology to align the Palestinian case with indigenous struggles worldwide.

The analysis of Zionism as a settler-colonialism also has a normative dimension: Palestinian thinkers and resistance groups agreed that liberation required dismantling settler structures *before* building an egalitarian political order. The next section examines how this settler-colonial framing underpinned the proposals for a unitary, democratic state across historic Palestine.

6. *«A New Palestine»*

This analysis of Zionism reveals the impossibility of coexistence in a settler-dominated framework. This point was further elaborated in Jabbour's *Settler Colonialism in Palestine*. Zionist settler colonialism, Jabbour argues, was based on the notion that the land should be uninhabited, or made so through displacement. Such commitment to racial purity left little willingness to accommodate the indigenous population, even as cheap labourers. Therefore, settlers' «peace» is based on military dominance, not indigenous consent. The push for exclusivity, Jabbour maintains, is based on both racist ideas and strategic concerns. The challenges facing South Africa's apartheid

17. For the Arabic text, I referred to the original document [DFLP 1975a].

were evident when Israel was founded; this is why the Zionist leaders in Palestine believed that the large-scale removal of the native population was the only way to create an «internally secure» state, a process that was largely carried out in 1948 [Jabbour 1970, pp. 201-208].

Faced with the dilemma of remaining committed to annexing the occupied territories while avoiding integration with the native population, Zionist settlers have adopted a strategy similar to that of South African settlers: dominance *without* coexistence. Since mid-1967, this thinking has included proposals for a limited, internally autonomous Palestinian entity within Israel in parts of the occupied territories:

> The idea of a small native «Bantustan» entity in Israel, in a greater Israel, is thus a corner-stone in the settlers' visions of the future. Admittedly it will take a long time for the settlers to formally espouse such a solution, and longer to put it into effect. But again this course of events is inevitable since the settlers are determined to expand, and at the same time guard their racial and cultural exclusiveness. [Jabbour 1970, p. 207]

Viewed today, these words appear to foreshadow the underlying dynamics that would lead in the following decades to the signing of the Oslo Accords and the launch of the so-called «peace process», resulting in the further fragmentation of Palestinian territory and the consolidation of an apartheid system akin to or, in many respects, worse than that of South Africa. Yet no native movements call for the mass expulsion or destruction of settlers, concludes Jabbour. Their future vision is based on equal rights for all, regardless of race or nationality, and removal of discriminatory settler institutions: «Establishing a state on the basis of equality to all means simply that all present state structures based on discrimination have to be supplanted» [Jabbour 1970, p. 212]. To many settlers, this demand feels like a threat to their very existence, having long assumed their dominance is natural.

If coexistence under settler-colonial structures proves impossible, then the necessity of a political framework founded on equality and decolonial justice follows. For Sayegh, a just and lasting peace could only be achieved through a principled solution addressing the root causes of the conflict (namely, the dispossession of Palestinians and the exclusivist character of Zionism) within a unitary, democratic political framework in which all inhabitants would enjoy equal rights and common citizenship. As he puts it, not a «solution somewhere *between*», but a «solution *above* them both» [Sayegh 1970, p. 35]. In *Palestine, Israel and Peace*, an essay published by the Palestine Research Center in February 1970, Sayegh presents its vision for a single democratic state in Palestine as an alternative to both Zionist and Arab exclusivist national projects. Insofar as the rights of the Palestinian people and the claims of Israel are «mutually exclusive», leaving no room

for genuine compromise, efforts to reconcile the two through negotiation or procedural formulas are ultimately illusory and risk imposing surrender on one side. As a result, continued confrontation is inevitable, with stakes as high as national survival and the potential for catastrophic outcomes.

Central to Sayegh's argument is the rejection of any political arrangement based on ethnic or religious supremacy. He dismisses both the expulsion of Jews and the permanent exclusion of Palestinian refugees as morally indefensible and politically unworkable: «Neither an *exclusionist "Jewish State"*, existing in all or part of Palestine at the expense of deprived Palestinians, nor a *restored Arab Palestine*, in which the non-indigenous Jewish immigrants cannot aspire to have a place» [*Ibid*., p. 39], can meet the ethical and political requirements for a just peace. Anticipating the themes that would later shape contemporary debates regarding a one-state or binational solution, Sayegh critiques the idea of a binational state, arguing that it institutionalises and therefore also perpetuates communal divisions instead of overcoming them. The alternative is what he calls a «new Palestine», that is to say «a *pluralistic*, *humanistic*, *secular* and *democratic* state» [*Ibid*., p. 37] in which indigenous Palestinians, both Christian and Muslim, as well as non-indigenous Jews, can coexist and would freely intermingle to form an authentic human community, with all individuals as equal citizens and committed builders of a shared political future.

From the late 1960s onward, the Palestinian resistance movement began to discuss a proposal to establish a unitary, democratic, and non-sectarian state in Palestine. This solution was intended to secure Palestinian self-determination by ensuring the refugees' right of return and ending the occupation of Arab lands, while also allowing Jewish settlers to remain as equal citizens alongside the indigenous Palestinians, provided they renounce Zionism. The aforementioned 1969 Fifth Session of the Palestinian National Council formally adopted this proposal, which eventually became the official policy of the PLO. It resolved to «reject all liquidatory resolutions and projects, including the Security Council Resolution [242] of 22 November 1967» and called for «establishing an independent democratic society in Palestine for all Palestinians, Moslems, Christians and Jews» [PNC 1969].

Within the Resistance movement, this idea was framed by the two main ideological currents: Palestinian nationalism and Arab nationalism [Abdul-Majid 1979]. The first, represented by al-Fatah, viewed the creation of an independent Palestinian state as a first step toward a federated Arab entity. The «democratic, progressive, and non-sectarian Palestine» would grant Israeli Jews full citizenship, equal access to resources, and the right to freely express their religious and cultural beliefs. The idea of a democratic, non-sectarian state is not equivalent to «surrender to Israel, negotiations with its racist government, or a proposed agent state for the West Bank and the Gaza Strip». Instead, it can only emerge «out of liberation and as a con-

sequence of liberation: hence, it is not a substitute for liberation» [Rasheed 1970, p. 8]. Supporters of the second perspective, including pan-Arabist organizations like the Arab Liberation Front and al-Saiqa, as well as Marxist groups such as the PFLP and the DFLP, believed that a democratic Palestinian state could only emerge after the success of the Arab revolution, the dismantling of artificial states created by colonial powers, and the elimination of the Zionist presence in the region. The Palestinian anti-colonial struggle was thus connected to the broader struggle for Arab liberation and social change, as the Popular Fronts saw it. In their vision, a liberated Palestine would be an essential part of a unified Arab state that would remove the basis for economic exploitation and national, ethnic, and religious oppression [PFLP 1970].

However, from the mid-1970s onward, a series of regional changes gradually shifted the focus of the PLO's political agenda from anti-colonial liberation to state-building *without* liberation.[18] The PLO leadership moved toward the idea of establishing a Palestinian state in the territories occupied in 1967, as a step toward liberating all of historic Palestine [Gresh 1988]. The PLO's 1974 «phased program» officially accepted this change. Over the following decades, the PLO worked toward this goal through negotiations that led to the 1993 Oslo Accords. This changed the structure and nature of the organization: what had been an anticolonial liberation movement in exile transformed into a self-governing body operating within the Israeli colonial structure [Yazid Sayigh 1997]. In other words, the solution of a single democratic state framed in anticolonial terms was gradually replaced by the «two-state, two-peoples» formula, which focused on state-building, territorial compromise, and (U.S.-sponsored) bilateral negotiations. It is precisely the kind of scenario Fayez A. Sayegh predicted would have failed.

Reflecting changes on the ground, the settler-colonial analysis has gradually declined in Palestinian political discourse since the mid-1970s, giving way to an interpretation of the conflict as one between two national movements [Pappé 2013; Hilal 2015]. However, after the failures of the Oslo period and the entrenchment of Israeli settler-colonial policies, many Palestinian, Arab, and international scholars returned to the settler-colonial paradigm as the most effective framework for explaining the persistence of colonial structures and for reconsidering Palestinian strategies for liberation. The rise of a new generation of critical scholars progressively transformed the discourse, and the settler-colonial framework has taken centre stage in academic and intellectual discussions of Palestine [Rouhana and Hawari 2023]. In a similar vein, renewed interest in the debate over a one-

18. Some of these changes significantly shifted the balance of power after the October War: the 1979 peace treaty between Egypt and Israel represented a significant blow to the PLO, since Egypt had been one of the most important Arab states involved in the conflict, while the PLO's expulsion from Lebanon in 1982 resulted in both military weakening and increased political isolation.

state solution has marked a decisive shift in discourse from partition, negotiations and statehood to decolonization, equal rights and justice.[19]

As these analyses suggest, the failure of Oslo and other negotiated solutions is not an accident of history. Rather, it reflects the impossibility of reconciling agendas based on «territorial compromise» or «coexistence» with a settler-colonial regime committed to exclusive, permanent control over the land and to the removal, if not the physical elimination, of the native population. The notion of a unitary democratic Palestine was not an abstract or utopian aspiration, but a conceptual framework grounded in anticolonial theory and developed as a response to the settler-colonial character of Israel. As discussed in the concluding section, this invites a more comprehensive reconsideration of the origins of settler-colonial analysis.

7. *Reassessing the genealogy of the field*

This article has suggested that the intellectual work of Fayez A. Sayegh and the Palestine Research Center offered an important, though often overlooked, early formulation of a settler-colonial analysis of Zionism. Sayegh's writings represent one of the first systematic attempts to theorise Zionism as a form of settler colonialism, making him a central figure in Palestinian anti-colonial thought and a pioneer in settler-colonial theory. Moreover, his perspective provides powerful insight into Zionism as a system of racialized, settler-colonial domination, placing his analysis at the intersection of racial and settler-colonial theories [Erakat 2025].

However, Sayegh's contributions did not emerge in isolation; rather, they formed part of the Palestine Research Center's intellectual efforts to develop a systematic study of Zionism, in which Palestine was framed as a paradigmatic case of settler colonialism. These analyses influenced legal arguments in UN forums, where issues of racial discrimination and colonial domination were increasingly debated, and were adopted by Palestinian resistance organizations from the late 1960s through the 1970s. It was against the backdrop of exile, dispossession, and resistance that the concept of settler colonialism first assumed a coherent analytical significance, long before its revival in the late-1990s Anglophone academia.

As discussed above, the first Arab and Palestinian formulations of settler-colonial analysis arose from within the liberation movement itself. They were used as *political tools* by intellectuals facing dispossession and actively participating in the national struggle. For Sayegh, as for many other intellectuals, scholarship was inseparable from politics. In this sense, their

19. The literature on this topic is now extensive; here it is sufficient to refer to one of the most recent contributions, Loewenstein and Moor [2024]. There are also numerous initiatives and campaigns supporting the one-state solution; for example, see The One Democratic State Campaign website.

approach anticipates current discussions in settler-colonial studies that call for integrating theoretical analysis with decolonial ethics and for realigning our understanding of settler colonialism within an indigenous framework [Barakat 2018]. Decolonisation, for these authors, could not occur while settler-colonial structures remained in place; rather, it required the establishment of a new egalitarian order within a single democratic polity, achievable only *after* the dismantling of the Zionist state.

In conclusion, a re-examination of Palestinian anticolonial literature sheds new light on the genealogy of settler colonial theory. By the latter half of the 1960s, Arab and Palestinian intellectuals had clearly recognized the defining features of Zionist settler colonialism. Key concepts later systematized in academic scholarship, including the logic of elimination, the centrality of land over labour, the permanence of settler structures, the racialization of sovereignty, and the global interconnections of settler-colonial regimes, had already been formulated and widely debated within the Palestinian liberation movement. Reengaging with this literature provides contemporary scholars with analytical tools to better understand the persistence and resurgence of settler-colonial violence in Palestine, which today manifests in recurring ethnic cleansing campaigns in the West Bank and culminates in the ongoing genocide in the Gaza Strip. The «dual nature» of Zionism, as defined by Sayegh, reveals that the core of the Palestinian issue lies in the fundamental contradiction between the Palestinian presence on the land and the Zionist imperative to replace it with a new colonial order based on Jewish exclusivism. Striking evidence, to use Sayigh's metaphor, that the Zionist «heart» continues its movement of «pumping in» and «pumping out», adapting its forms over time yet maintaining the same fundamental goal: the emptying of Palestine of its Indigenous inhabitants.

Bibliography

Abdul-Majid, Wahid, 1979, 'Masʾalat al-Dawla al-Dīmuqrāṭiyya fī al-Fikr al-Filasṭīnī' (The Question of the Democratic State in Palestinian Thought), *Qidaya Arabiya* 6 (7), pp. 177-186.

Abu Lughod, Ibrahim, and Baha Abu Laban (eds.), 1974, Settler Regimes in Africa and the Arab World: The Illusion of Endurance, Wilmette, Ill.: The Medina University Press International.

Barakat, Rana, 2018, 'Writing/Righting Palestine Studies: Settler Colonialism, Indigenous Sovereignty and Resisting the Ghost(s) of History, *Settler Colonial Studies*, 8(3), pp. 349-363.

Bhandar, Brenna and Rafeef Ziadah, 2016, 'Acts and Omissions: Framing Settler Colonialism in Palestine Studies', Settler Colonial Studies, 6(3), pp. 223-246.

Bishuti, Bassam, 1969, *The Role of the Zionist Terror in the Creation of Israel*, Beirut: Palestine Research Center.

Busbridge, Rachel, 2018, 'Israel-Palestine and the Settler Colonial «Turn»: From Interpretation to Decolonization', Theory, Culture & Society, 35(1), pp. 91-115.

[DPFLP 1970] Democratic Popular Front for the Liberation of Palestine), *Towards a Democratic Solution to the Palestinian Question*, New York: The Palestine Solidarity Committee.

[DPFLP 1971] Democratic Popular Front for the Liberation of Palestine, 'Present Tasks of the Resistance: DPFLP Proposals to the 9th Palestinian National Congress', *Palestine Resistance Bulletin*, Number 10, October 1971

[DPFLP 1975a] Democratic Front for the Liberation of Palestine, 1975, 'al-Barnāmaj al-Siyāsī, 1975' (The Political Program, 1975), *Dhākira Filasṭīn* (*Palestine Memories)*, Arab Center for Research and Policy Studies.

[DFLP 1975b] Democratic Popular Front for the Liberation of Palestine, *Political Program of the Democratic Front for the Liberation of Palestine*, Beirut.

Erakat, Noura, 2025, 'Zionism as a Form of Racism', in Tatour, Lana and Ronit Lentin (eds.), Race and the Question of Palestine, Stanford, Stanford University Press, pp. 77-97.

[Fatah 1967] Palestinian National Liberation Movement 1967, 'Taḥrīr al-Aqṭār al-Muḥtalla wa-Uslūb al-Kifāḥ Ḍidda al-Istiʿmār al-Mubāshir' (The Liberation of Occupied Countries and the Method of Struggle Against Direct Colonialism), *Dirāsāt wa-tajārib thawriyya* (*Revolutionary Studies and Experiences)*, No. 8.

[Fatah 1970] Palestine National Liberation Movement 1970, 2 April, 'Political Struggle', *Fateh Information Office*.

Fischer, Nina, 2020, 'Palestinian Non-Violent Resistance and the Apartheid Analogy: Framing Israeli Policy in the 1960s and 1970s', Interventions: International Journal of Postcolonial Studies, 23(2), pp. 116-132.

Gresh, Alain, 1988, *The PLO: The Struggle Within: Towards an Independent Palestinian State*, London and New Jersey: Zed Books.

Gribetz, Jonathan Mark, 2024, *Reading Herzl in Beirut: The PLO Effort to Know the Enemy*, Princeton, NJ: Princeton University Press.

Hilal, Jamil, 1976, 'Imperialism and Settler-Colonialism in West Asia: Israel and the Arab Palestinian struggle', Utafiti: Journal of the Arts and Social Sciences, 1(1), pp. 51-69.

Hilal, Jamil, 2015 'Rethinking Palestine: Settler-Colonialism, Neo-Liberalism and Individualism in the West Bank and Gaza Strip', *Contemporary Arab Affairs*, 8, (3), pp. 351-362.

Husary, Jacqueline, 2018, *Recovering the PLO Research Center: Limits and Potential for Digital Methods to Retrieve Dispersed Archives*, MSc Dissertation, University College London.

Jabbour, George, 1970, Settler Colonialism in Southern Africa and the Middle East, Beirut: PLO Research Center.

Jiryis, Sabri, and Salah Qallab, 1985, 'The Palestine Research Center', *Journal of Palestine Studies*, (14)4, pp. 185-87

Kishtainy, Khalid, 1970, *Whither Israel? A Study of Zionist Expansionism*, Beirut: PLO Research Center.

Loewenstein, Antony, and Ahmed Moor (eds.), 2024, *After Zionism: One State for Israel and Palestine*, London: Saqi Books.

Nasrallah, George K. (ed.), 1971, *al-Wathā'iq al-Filasṭīnīyah al-'Arabīyah li-'ām 1969* (The Arab Palestine Documents for the Year 1969), Beirut: Institute for Palestine Studies.

Pappé, Ilan, 2013, Revisiting 1967: the False Paradigm of Peace, Partition and Parity, *Settler Colonial Studies*, 3(3-04), pp. 341-351.
Pappé, Ilan, 2015, 'The Framing of the Question of Palestine by the Early Palestinian Press: Zionist Settler Colonialism and the Newspaper Filastin, 1912-1922', Journal of Holy Land and Palestine Studies, 14(1), pp. 59-81.
[PFLP 1970] Popular Front for the Liberation of Palestine,, *Palestine: Towards a Democratic Solution*, PFLP Information Department.
[PFLP 1972] Popular Front for the Liberation of Palestine,, *Mahāmat al-Marḥalah al-Jadīdah (Task of the New Stage)*, PFLP Foreign Relations Committee.
[PFLP 1973] Popular Front for the Liberation of Palestine,, *Task of the New Stage*, Beirut: PFLP Foreign Relations Committee.
[PLONC 1968] Palestine Liberation Organization 1968, 'The Palestinian National Charter: Resolutions of the Palestine National Council, July 1968', Articles 1, 19, 22, *The Interactive Encyclopedia of the Palestine Question*.
[PNC 1969] 'Palestine National Council, 5th Session: Political Statement, Cairo, 4 February 1969', *The Interactive Encyclopedia of the Palestine Question*.
Rasheed, Mohammad, 1970, *Towards a Democratic State in Palestine: the Palestinian Revolution and the Jews vis-à-vis the Democratic, Nonsectarian Society in the Palestine of the Future*, Beirut: Palestine Liberation Organization Research Center.
Razzouk, Ass'ad, 1970, *Greater Israel. A Study in Zionist Expansionist Thought*, Beirut: Palestine Liberation Organization Research Center.
Rodinson, Maxime, 1973, Israel: A Settler-Colonial State?, London: Penguin.
Rouhana, Nadim, and Areen Hawari, 2023, 'Muqaddimah' (Introduction), in Nadim Rouhana (ed.), *Al-Sahyuniyya wa al-Isti'mar al-Istīṭānī: Muqārabāt Filasṭīniyya* (Zionism and Settler Colonialism: Palestinian Perspectives), Haifa: Mada al-Karmel: The Arab Center for Applied Research.
Saab, Hasan, 1968, Zionism & Racism, Beirut: Palestine Liberation Organization Research Center.
Sabbagh-Khoury, Areej, 2021, 'Tracing Settler Colonialism: A Genealogy of a Paradigm in the Sociology of Knowledge Production in Israel', Politics & Society, 50 (1), pp. 44-83.
Sa'di, Ahmad H., and Nur Masalha (eds.), 2013, *Decolonizing the Study of Palestine: Indigenous Perspectives and Settler Colonialism after Elia Zureik*, I.B. Tauris.
Salamanca, Omar Jabary, Mezna Qato, Kareem Rabie and Sobhi Samour, 2013, 'Past is Present: Settler Colonialism in Palestine', *Settler Colonial Studies*, 2 (1), pp.1-8.
Sayegh, Fayez A., 1965, Zionist Colonialism in Palestine, Beirut: Palestine Liberation Organization Research Center.
Sayegh, Fayez A., 1976, Zionism: "A Form of Racism and Racial Discrimination". Four Statements Made at the U.N. General Assembly, New York. Office of the Permanent Observer of the Palestine Liberation Organization to the United Nations.
Sayigh, Yazid, 1997, *Armed Struggle and the Search for State: the Palestinian national movement, 1949-1993*. Oxford, Oxford University Press.
Sleiman, Hana, 2016, 'The Paper Trail of a Liberation Movement', *Arab Studies Journal*, 24(1), pp. 42-67.
Stevens, Richard, 1969, *Zionism, South Africa and Apartheid: The Paradoxical Triangle*, Beirut: Palestine Liberation Organization Research Center.
Trabulsi, Fawwaz, 1969, Sept./Oct., 'The Palestine Problem: Zionism and Imperialism in the Middle East', *New Left Review*, No. 57, pp. 53-90.

UNGA (United Nations General Assembly), 1973, Resolution 3151 (XXVIII) – Policies of apartheid of the Government of South Africa, A/RES/3151(XXVIII), 14 December 1973.
UNGA (United Nations General Assembly), 1975, Resolution 3379 (XXX): Elimination of All Forms of Racial Discrimination, 10 November 1975.
Veracini, Lorenzo, 2010, Settler Colonialism: A Theoretical Overview, London: Palgrave.
Veracini, Lorenzo, 2011, 'Introducing Settler Colonial Studies', Settler Colonial Studies, 1(1), pp. 1-12.
Wolfe, Patrick, 1999, *Settler Colonialism and the Transformation of Anthropology: The Politics and Poetics of an Ethnographic Event*, London: Cassell.
Wolfe, Patrick, 2006, 'Settler Colonialism and the Elimination of the Native', Journal of Genocide Research, 8(4), pp. 387-409.
Yahia, Faris, 1970, *The Palestine Question and International Law*, Beirut: Palestine Research Center.
Zureik, Elia, 1979, The Palestinians in Israel: A Study of Internal Colonialism, London: Routledge.

REVIEWS

Zhou Enlai: A Man of His Time

Clara Galzerano

Independent researcher
clara.galzerano19@gmail.com

Chen Jian, *Zhou Enlai. A Life*, Cambridge, MA; London, UK: The Belknap Press of Harvard University Press, 2024, 817 pp. ISBN: 9780674659582.

Zhou Enlai (1898-1976), the former Minister of Foreign Affairs and Premier of the People's Republic of China (PRC), remains widely regarded abroad as one of China's most respected leaders, renowned for his diplomatic skills and modest lifestyle. His pragmatic approach to diplomacy is often invoked by analysts as a model for navigating the ongoing transition from American unipolarity to a multipolar international order through steady and cautious diplomatic engagement [Nixon Cox, Arnold 2025].

In the PRC, Zhou Enlai's legacy has seen a revival during the «golden age» of the Belt and Road Initiative (also known as the One Belt One Road, 一带一路, *Yidai Yilu*). Both official discourse and scholarly works emphasise the continuity between Zhou's diplomacy – particularly his efforts to expand Beijing's ties with Asian and African nations and his Five Principles of Peaceful Coexistence (和平共处五项原则, Heping Gongchu Wu Xiang Yuanze) – , and current infrastructural and economic initiatives. His legacy is thus presented as a foundational model for China's peaceful rise, modernization, and openness [Liu 2024; Xinhua 2024]. On the 120th anniversary of Zhou's birth in March 2018, Xi Jinping praised him as an exemplar of discipline, responsibility, and dedication, implying that socialism with Chinese characteristics represents a long-term national project aligned with Zhou's vision [CGTN 2018].

Chen Jian recognises the importance of exploring the complexities of Zhou Enlai's political career and engaging with key historiographical debates, while refraining from delivering a definitive moral judgment on his political figure. Official Chinese Communist Party's (CCP) historiography has portrayed Zhou Enlai as a morally exemplary revolutionary, a skilled diplomat, and a moderating force who restrained the most destructive tendencies of Maoist politics, often minimising his involvement in periods of

ISSN 2385-2526
© Viella s.r.l. & Associazione Asia Maior

political repression. In recent decades, however, scholars have challenged this narrative. Gao Wenqian's *Zhou Enlai's Later Years* portrayed Zhou as a tragic and compromised figure, suggesting that his unwavering adherence to Party discipline made him complicit in, and an enabler of, the regime's most destructive campaigns. His survival thus depended on his political submission to Mao Zedong [Gao 2007]. Barnouin and Yu Changgen pushed this argument further, underlining that Zhou was at times punitive, persecuting rivals, betraying comrades, and participating directly in political violence. The popular image of Zhou as a protector is a political myth that conceals his opportunism and cruelty [Barnouin, Yu 2006]. By contrast, Michael Dillon's biography, while acknowledging Zhou's personal dilemmas and constraints, presented him more sympathetically as a statesman and moral counterweight to Mao [Dillon 2020].

Chen Jian's biography moves beyond competing interpretations and tries to present a balanced portrait of a complex political figure. Departing from both the celebratory tone of official historiography and the critical stance of later revisionism, Chen offers a contextual and structurally grounded account of Zhou's life. Zhou emerges as a skilled political operator, striving to avert catastrophe and limit damage, yet constrained by Party discipline and revolutionary imperatives. Chen's portrayal, while still sympathetic, remains critical, emphasising Zhou's political skill but also the contradictions and moral compromises he made to build «New China». Rather than labelling Zhou a hero or villain, Chen focuses on how the CCP leadership functioned under extreme political internal and external pressures, showing a life that embodies both the «constructive results» (p.8) and profound contradictions of the Chinese Revolution.

The biography stands out from earlier works for its impressive length and the rigor of its research. Chen drew extensively on Chinese-language primary sources to reassess even well-studied phases of Zhou's life. Benefiting from the period of archival openness in the PRC in the late 1990s and early 2000s, he consulted Zhou's personal writings and correspondence, Politburo and Party records, materials from the Ministry of Foreign Affairs Archives, and numerous provincial archives. Far from being a mere compilation of sources, this exceptional research offers a robust analytical framework for situating Zhou within the succession of revolutions that shaped twentieth-century China, portraying him as both an active agent and a product of these profound political transformations.

The book follows a clear diachronic structure coherent with earlier biographies and is divided into four main parts. The first examines his formative years, which proved pivotal in shaping his political consciousness and career (Part I: Early Years, pp. 11-68). The second focuses on his pre-1949 revolutionary activities and the path that led him and his comrades to the foundation of the PRC (Part II: Making the Revolution, pp. 69-277). The third centres on his role as one of the leading political figures of New China,

addressing internal challenges, intraparty disputes, and foreign policymaking (Part III: Building New China, pp. 279-542). The final part is dedicated to the last ten years of his life, marked by the hardships of the Cultural Revolution and its aftermath, as well as Zhou's achievements on the international stage (Part IV: Surviving the Cultural Revolution, pp. 543-690).

Chen devotes particular attention to Zhou's early years (1898-1924), demonstrating that he was very much *a man of his time* – a point reflected in the book's original working title [Wilson Center 2007]. Zhou's early trajectory is, in fact, closely intertwined with China's historical path: the decline of his mandarin family from Jiangsu mirrored the broader disintegration of the imperial order; his restless youth took shape during the late Qing, a period characterised by intense migrations and major social unrest (chapter 1). As a student at what would later become Nankai University in Tianjin, Zhou was shaped by the New Culture Movement and radicalised by Japan's Twenty-One Demands, which prompted his initial political engagement and fostered his nationalist feelings (chapter 2). Like many contemporaries, he went to Japan, initially seeing it as a model to emulate, but ultimately reflecting critically on its militarism, imperialism, and social inequalities (chapter 3). After returning to Tianjin in 1919, Zhou closely followed the May Fourth Movement and participated in related activities at Nankai (chapter 4). His later decision to sojourn in Germany, the United Kingdom, and France marked a decisive turning point: by the spring of 1922, Zhou had fully embraced communism, becoming deeply involved in the creation of new Communist organizations and embarking on the path of a "professional revolutionary" (p.62).

Part II (Making the Revolution) traces Zhou Enlai's transformation from a young revolutionary to an indispensable party member during the turbulent years between 1924 and 1949. Chen reconstructs Zhou's early prominence within the United Front, highlighting his crucial roles at the Whampoa Military Academy and in the National Revolutionary Army, where he gained military and political credibility across the CCP and Guomindang (GMD) (1924-1931, chapter 6). The Shanghai years (1927-1931, chapter 7) represent a critical phase in which Zhou controlled the CCP's organizational and intelligence networks and consolidated his authority within the Party, even as the United Front rapidly collapsed. From this point onward, Chen places Zhou's complex relationship with Mao Zedong at the centre of the narrative. During the Jiangxi Soviet period (1931-1934, chapter 8) and the Long March (1934-1935, chapter 9), Zhou's conduct, particularly at the Zunyi Conference (1935), facilitated Mao's eventual ascendancy over both the army and the Party. According to Chen, Zhou's capacity to absorb responsibility, compromise in intraparty conflicts, and manage crises proved essential to the CCP's survival, but also reinforced his subordinate position within Mao's emerging authority. The chapters that delve into the Second United Front and the Yan'an Rectification Campaign further stress this dy-

namic (chapters 9-11): while Zhou played a key role in negotiating with the Guomindang (Chinese Nationalist Party) to sustain cooperation against Japan, he endorsed Mao's leadership, accepting Maoist orthodoxy as a defining aspect of CCP political culture. By doing so, he secured his political survival and a place within the Party's inner circle.

Zhou Enlai's role in the newly founded PRC is examined in Part III (Building New China) through the interconnected lenses of intraparty dynamics, state-building policies, and diplomatic shifts. Chen convincingly argues that Zhou was never a fully internalised Maoist; rather, he enabled and sustained Mao's agenda out of a belief in compromise and institutional stability. Zhou's role in key campaigns was characterized by a dichotomy: he was an indispensable senior administrator and diplomat who helped establish consensus, but his influence was consistently curbed when Mao pursued a more radical policy. Chen acknowledges Zhou's complicity in political tragedies, while stressing the structural limits that reduced him to a policy conveyor rather than a principal decision-maker. Zhou's pragmatic interventions during periods of crisis, especially in the aftermath of the Great Leap Forward (1958-1960), are framed as efforts to «prevent the vessel from sinking», (pp. 8-9) even as his ultimate loyalty to Mao became indisputable (chapters 15, 17, 19-22). At the same time, the book emphasises Zhou's comparatively greater autonomy in foreign affairs, where his diplomacy – from the Geneva and Bandung Conferences to managing relations with Moscow, Washington, Pyongyang, New Delhi, and Hanoi – reflected a sustained commitment to anti-imperialism and the nationalist cause, guided by a long-term perspective (see especially chapters 16, 18, 23, 28). On the eve of the Cultural Revolution, Chen portrays Zhou's alignment with Mao as politically inevitable but personally painful, rooted in the absence of any viable alternative narrative to Mao's political and ideological dominance (chapter 24).

Part IV (Surviving the Cultural Revolution) examines Zhou Enlai's final years through unprecedented political chaos. Following Lin Biao's death, Zhou emerged as China's *de facto* second-ranking leader (chapter 25-27): Chen portrays Zhou as aware of the devastation caused by Mao, striving to maintain essential administrative and executive functions, while also supporting Mao's campaigns and purges, thereby demonstrating a pragmatic, if at times cynical, vision for China's recovery. At the same time, these years marked Zhou's greatest diplomatic achievement: the Sino-American rapprochement. It not only altered the dynamics of the Cold War but also reaffirmed his lifelong dedication to diplomacy (chapter 28). Chen underscores the tragedy of Zhou's final years (chapters 29-30): gravely ill, politically isolated, subjected to renewed criticism and forced self-criticism, and denied timely medical treatment, Zhou's authority steadily eroded. The leader saw the decline of his political career, embodying the paradox of survival and moral ambiguity that defines Chen's overall interpretation of Zhou's life.

Chen presents Zhou Enlai as a profoundly ambivalent figure: both a participant in the CCP's greatest tragedies and a statesman striving to mitigate their worst consequences. Balancing broad historical analysis with close reconstructions of key episodes, Chen's detail-rich narrative makes the book engaging even for readers with no prior knowledge of the subject, while maintaining its significance for scholarly research. The biography thus contributes to debates in modern Chinese historiography while offering a compelling narrative of China's transformations in the first part of the twentieth century. Could Chen's work be considered the ultimate biography of Premier Zhou? While no single work can claim that status, as opposed to previous biographies of Zhou Enlai, Chen's provides a more nuanced portrait of the long-time prime minister of the CCP, essential to understanding his life and legacy.

Bibliography

Barnouin, Barbara, & Changgen, Yu, *Zhou Enlai: A Political Life*, Hong Kong: Chinese University Press, 2006.

Dillon, Michael, *Zhou Enlai: The Enigma Behind Chairman Mao*, London: I.B. Tauris, 2020.

Gao, Wenqian, *Zhou Enlai: the last perfect revolutionary*, New York: PublicAffairs, 2007.

Gao Wenqian, 晚年周恩來 (Zhou Enlai's Later Years), New York: Mingjing Chubanshe, 2003.

Liu, Hong, 'China engages the Global South: From Bandung to the Belt and Road Initiative', *Global Policy*, 13, 1, 2022, pp.11-22.

Nixon Cox, Christopher, & Arnold, James, 2025, 20 October, 'Will today's great powers heed the example of Richard Nixon and Zhou Enlai?', *South China Morning Post*.

'World Insights: Five Principles of Peaceful Coexistence -- timeless guide for int'l relations', *Xinhuanet*, 28 June 2024.

'Zhou Enlai: A Life', *Wilson Center*, 11 June 2024.

'CPC holds symposium to commemorate late Premier Zhou Enlai', *CGTN*, 1 March 2018.

The Translocal Island of Okinawa. Anti-Base Activism and Grassroots Regionalism

Edoardo Quagliato

Waseda University
e.quagliato@asagi.waseda.jp

Shinnosuke Takahashi, *The Translocal Island of Okinawa. Anti-Base Activism and Grassroots Regionalism*., SOAS Studies in Modern and Contemporary Japan, London: Bloomsbury Publishing, 2024, xii+180pp. (ISBN 9781350411531). £26.09 (PDF)

In *The Translocal Island of Okinawa*, Shinnosuke Takahashi brilliantly tells the story of the anti-base movements' struggles against the militarization of the Okinawan territory. He organizes an historical and anthropological analysis under the lens of «trans-localism». Takahashi decides to strip away the layers of «Cold War geopolitical reductionism» (p. 6) that have extensively been used to frame the general «Okinawan problem» in favour of a people-based, transboundary, and «anti-colonial/anti-imperial» (p.7) approach. The author builds his argument on the previous works of scholars such as Arasaki Moriteru, whose contributions analyse Okinawa's political history from the inside and from below, and who also played a major role in activist groups; equal importance is given to the contributions by Ewa Domanska and Tessa Morris-Suzuki on the pervasive «material aspects of traces» (p.8). These «traces», or «wounds» (p.8) in the case of Okinawa, helped in building bridges not only in between the islanders, but also across the institutional borders, making it possible to conceptualize a «We» upon a shared struggle. (pp. 8-9)

The author then introduces his original concept of Okinawa as a «translocal island», in which multiple and *diverse* activists and their actions built the foundation of anti-base politics (p. 10). The focus on the «local» is also exemplified by referencing to other scholars such as Miyume Tanji's *Myth, Protest and Struggle in Okinawa* (2006), Masamichi Inoue's *Okinawa and the U.S. Military* (2017), but also Yonetani (2004), Dietz (2015), Onishi (2013), Kosuzu (2008), and finally Kozue (2019). The commonality between these scholars is their focus on the Okinawan struggle outside of reductionist narratives and the adoption of cultural or constructivist approaches to the matter.

Takahashi therefore builds his historical reconstruction around the concept of «locality». This idea is described as a «fluidal articulation» that is not represented by «institutional borders» but by a «more flexible and multidirectional» network of relationships «articulated on the ground level»

(p. 12). He also introduces the notion of «grassroot regionalism» as a sum of actions and perspectives that «regionalize» mindsets and forge links across the institutional and geographical borders of Okinawa (p. 15). By focusing on the stories of individuals and communities, rather than on broader geopolitical and reductionist narratives, the author wishes to emphasize the role of people in «making, unmaking and remaking local activism» (p.17). The concepts of grassroot regionalism, combined with the idea of translocal island form the theoretical and methodological framework of this book.

The book is structured in seven chapters. The first chapter has been summarized and discussed above: it focuses on the previous literature and the theoretical foundations of the study. From chapters two to six, the author introduces the readers to various organizations and people who promoted the grassroot activism that took place in Okinawa since the 1950s. The last chapter contains the personal experiences of the author during his visits to other South Pacific islands that host military bases, and a final reflection on his research.

Chapter two covers the 1950s and 1960s and recalls the history of occupied Okinawa for its first half, while concentrating on two of the most prominent movements in the latter part: the «whole-island struggle» (*shima-gurumi tōsō*), and the «Association for the Return of Okinawa to Japan» (*Nihon Fukki Sokushin Kiseikai*). In particular, the «whole-island struggle» of 1956 represented an «unprecedented […] island-wide protest, regardless of ideology, against the US occupation» (p. 34). The consequences of this protest, despite apparently beneficial to Okinawa, led to an unsatisfactory resolution that fuelled the subsequent mass protests in the 1960s demanding a revision of Okinawa's sovereignty. Here, the grassroot activism is visible in the participation of the most diverse local organizations in the political struggle against military occupation of Okinawa, but it also created the first divisions between pro-reversion and anti-reversion activists, highlighting the multiplicity and complexity of views that united under a common banner, and showing a fervent dynamism that «*shaped* Okinawa's anti-base struggle». (p. 43)

Chapter three documents how, after the return of Okinawa to Japan in 1972, and following developmental policies adopted by the Japanese government in the island, the «struggle» was reshaped and revitalized by rural citizens of Okinawa in response to the environmental degradation brought upon by new infrastructure projects. The focus of this renewed struggle was on the relationship between a community and its surrounding space and environment, with little relations with the «political binary» of Left and Right. It rapidly tied in the 1970s and 1980s with anti-base politics and pivoted around environmental issues, with multiple residents' organizations starting to organize around the regional concept of «Ryukyu Arc» (p. 58) and forging relationships with other local activist groups, thus expanding the network of activism outside of Okinawa (p. 59). The main individual behind this first

phase of regionalism is Arasaki Moriteru, and this expansion would be rooted in practical action based upon his concept of solidarity. It ultimately led to the foundation of a specialized research institution focusing its research on two scopes: the Ryukyu Arc, and the broader region of the Asia-Pacific.

This would have not been possible without the contribution of one specific individual whose contributions Takahashi extensively discusses in chapter four: Shimao Toshio. Through his work as an author, and its research on remote islands, Shimao managed to collect the «material aspects of traces» and experienced «the *presence* of the past» (p. 78). This «enacted» the theorization of the regional concept of «*Japanesia*», which celebrates the idea of a multipolar, multicultural archipelago against the idea of cultural homogenization perpetuated by the modern Japanese nation. This concept, explains Takahashi, enabled the discourse of the «Ryukyu Arc» as a critical concept, and allowed Shimao to travel to different islands in which a relationship between «islanders» and «mainlanders» shaped their histories, and witnessed both the traces of a colonial past, as well as the anti-colonial struggles. This, in turn, made the concepts of «Ryukyu Arc» and «*Japanesia*» a «home-grown version of decolonial cultural politics» (p. 87) that fundamentally shaped the Okinawan grassroots movements in their most recent phases.

Chapter five narrates the internationalization of one association that better upholds the legacy of previous grassroot movements, as well as embraces, in practical reality, Shimao's concepts through their activities. Takahashi recalls the diverse origins of the individuals who founded the Okinawa-Korea People's Solidarity: a mixture of mainland Japanese and Okinawans, as well as a Korean woman activist. The story of the group and their actions, including the struggles with internationalization and the heavy legacy of Japanese imperialism are reported thorough the chapter, including what the Okinawa-Korea's People Solidarity (*Okinawa Kankoku Minshū Rentai* - OKPS) experience means for younger generations and the future of trans-local activism in Okinawa.

Finally, chapter six focuses on the crucial individuals who permitted the development of such a «multifaceted regionalism» featured within the OKPS. Takahashi reconstructs the life of Arasaki Moriteru, whose life experience starting as a fervent nationalist and evolving into an anti-colonialist and promoter of cross-borders regionalism permeated the civic movements in Okinawa since their beginning after WW2; Takahashi Toshio, who abandoned its extreme leftist ideas to be accepted as a «local» by Okinawans and forged the first connections with Korean activists, keeping them alive throughout the years; Yu Yeongja, a native Korean who describes herself as a «bridge» (p. 131), and promoted civic activism both in Korea, Japan, and Okinawa since her younger years, despite her complex identity and the challenges brought upon by it. These life stories show the real meaning of translocal activism, or «a civic movement that fosters a social imagination

beyond local and national boundaries» (p. 137), and how these «translocal lives» formed the foundations of a social movement that operates outside of political binaries and institutional borders.

In conclusion, the final chapter contains the personal reflections of the author regarding the «invisible threads of regionalism», the future of younger generations of activists, and how the experience of groups such as the OKPS were possible in the beginning, and replicable to other movements. Again, the individual stories of people engaged in activism ultimately play a crucial role in expanding the conceptual and spatial scope of a movement. The author suggests that an underlying sentiment of «feeling at home in an unfamiliar place and environment» (p. 144) makes it simpler to enable a «grassroot regionalism with other communities» (p. 145); this connection can be «fragile [and] disrupted by various structural, technical, logistical and personal problems», but it remains «crucial to initiating and developing grassroots cooperation». (p. 146)

In his book, Takahashi told the story of how social movements born in Okinawa moved from being «local» to «trans-local» mainly through the contribution of individual activists whose private life majorly influenced the development and evolution of a grassroot regionalism still existing at present time. The historical narration flows effortlessly and constantly engages the reader with new and innovative insights on how the story of social movements can (and should) be told, outside of reductionist binaries dictated first by cold war lenses, and now by regional and global rivalries. The mixture of an anthropological, sociological, and historical approach makes the reader attached to the stories of activists who remained either invisible or incorporated in bigger «us» vs «them» group narratives. In this regard, Takahashi breaches these generic discourses and emphasizes the linkages between activists of different backgrounds who together made possible the realization of an inclusive, trans-local, and people-based movement such as the OKPS. «*The Translocal Island of Okinawa*» not only contributes to the academic debate by adopting an original approach and departing from streams of literature that tend to reduce social movements to mere reflections of bigger historical events, but it may also serve as a manual for newer groups in their quest for internationalization and reaching of broader audiences who share one or more affinities. This kind of study could also be replicated by scholars focusing on other island and people-based movements, such as the anti-base group «A Foras» from Sardinia, whose activities closely resemble the ones carried by Okinawan anti-base groups. This book could well be used as a starting point towards a comprehensive study of the just mentioned movement, as well as serving as fundamental literature for a hypothetical comparative study of the experiences of Okinawa and Sardinia against military occupation.

Bibliography

Abe, Kosuzu. 2008. 'Re-thinking the resistance and the constellation of minorities in Okinawan politics', *Review of policy science and international relations*, 10, pp. 33-47.

Dietz, Kelly. 2015. 'Transnationalism and Transition in the Ryukyus', in Iacobelli, Pedro, Danton Leary, Shinnosuke Takahashi, *Transnational Japan as History: Empire, Migration, and Social Movements*, London: Palgrave Macmillan, pp. 211-242.

Onishi, Yuichiro. 2013. *Transpacific Antiracism: Afro-Asian Solidarity in 20th Century Black America, Okinawa, and Japan*, New York City: New York University Press.

Tanji, Miyume. 2009. *Myth, Protest and Struggle in Okinawa*. London: Routledge.

Uehara, Kozue. 2019. *Kyōdō no Chikara: 1970-80 Nendai no Kin Wan Tōsō to sono Seizon Shisō*, Seori Shōbo, pp. 159-161.

Yonetani, Julia. 2004. 'Appropriation and resistance in a «globalised» village: reconfiguring the local/global dynamic from Okinawa', *Asian Studies Review*, 28(4), pp. 391-406.

Inoue, Masamichi S. 2017. *Okinawa and the U.S. Military. Identity Making in the Age of Globalization*. New York: Columbia University Press.

Reframing displacement in Cold War Asia

Giulia Dugar

Alma Mater Studiorum University of Bologna
giulia.dugar@unibo.it

Yumi Moon (ed.) *Cold War Refugees: Connected Histories of Displacement and Migration across Postcolonial Asia*, Stanford CA: Stanford University Press, xi+252 pp. (ISBN 9781503643130)

Over the past decades, scholars have repeatedly underlined the risks of treating the «refugee» as a universal humanitarian figure, and many have instead invited academic effort towards a reconceptualization tied to a more heterogeneous landscape of historical and geographical conditions that produce displacement [Gatrell 2013]. Such warnings are particularly critical in fields such as migration studies, the more circumscribed refugee studies, and Cold War studies that, by privileging state actors, diplomatic archives, and superpower rivalry as their primary empirical and analytical lenses, lure researchers into a Western-centric and 'high politics' epistemological trap.

In such a framework, *Cold War Refugees: Connected Histories of Displacement and Migration across Postcolonial Asia*, edited by Yumi Moon, proposes a significant reorientation of perspective, challenging the reproduction of the refugee as a placeless and timeless figure. As the title appropriately anticipates, this collection of contributions introduces and guides the reader through experiences of population displacement caused by Cold War conflicts in Asia – thus seeking to fill the void in the literature focusing on non-Western regions of the globe.

The collection advances a transnational and transimperial framework that embeds refugee movements within broader processes of partition, sovereignty formation, and geopolitical restructuring. At the conceptual level, the volume navigates the currents of two closely intertwined debates: the definition of the refugee as a legal and political category, and the historiography of the Cold War itself. In her introduction, Yumi Moon contends that the historiography of the Cold War has been overwhelmingly shaped by the decisions and strategies of «great powers» and political elites, a perspective that has relegated refugee experiences to the shadow of national and supra-national events. Against this backdrop, the book proposes a shift in scale and focus. Refugee displacements, it argues, were neither isolated nor purely national phenomena; rather, they unfolded within a web of trans-Asian connections that linked crises across the continent both synchronically and diachronically. The United States' experience with Korean

refugees, for instance, informed its position at the 1954 Geneva Conference when addressing the movement of Vietnamese civilians, illustrating how refugee governance circulated across contexts. The resulting partitions, in turn, played their role in determining and shaping such forced mobilities. Borders drawn in Korea, India and Pakistan, or Vietnam were not merely diplomatic settlements but historical forces in their own right – structures that reshaped societies, reconfigured political loyalties, and, in many cases, fuelled prolonged violence and civil conflict. However, despite embracing such a perspective, the volume then resists the portrayal of refugees as passive victims of geopolitical upheaval. Through what might be described as a form of «refugeetude», it explores how displaced populations internalised, reinterpreted, and, at times, strategically appropriated Cold War ideologies to navigate and reshape the political and cultural landscapes of their new environments.

With regard to the structure of the monograph, the introduction lays the theoretical framework by positioning refugees as historically marginalised subjects within state-centred Cold War narratives and by proposing a transnational analytical lens attentive to the interconnectedness of Asian displacement crises. It identifies three guiding threads, namely interconnected refugee trajectories, partition as a geopolitical instrument, and the political agency of displaced populations, which build the foundations for the subsequent chapters. The body of the volume then turns to five distinct, though analytically resonant, geographical contexts: Vietnam; the Dachen Islands and Taiwan; the Korean peninsula; Pakistan, through the spatial politics of Karachi; and Afghanistan. The epilogue departs from strictly historical analysis and offers a more philosophical meditation on statelessness, violence, and the ethical limits of Cold War humanism. Here, the refugee emerges as a figure that unsettles the presumed stability of sovereign borders and exposes the moral fragility underpinning modern political orders.

It is particularly in this concluding chapter that the author, Aishwary Kumar, broadens the volume's scope by moving from historical reconstruction to philosophical reflection. He challenges the familiar narrative that portrays the Cold War as a stabilising force that prevented a third world war in Europe, suggesting instead that such a view obscures what he describes as an ongoing «civil war of colonial origins» (p. 168) that unfolded across Asia and Africa and whose effects have not fully receded. Here, the apparent geopolitical equilibrium of the postwar era coexisted with - and in many ways depended upon - forms of protracted violence in the decolonising world. Kumar also offers a pointed critique of what he terms Cold War humanism. The humanitarian framing of refugees, he argues, often abstracts displaced populations from their political histories, recasting them as universal and ahistorical figures of suffering. In doing so, it risks erasing the very conflicts, borders, and power relations that produced their displacement. The epilogue concludes on a stark note: we now inhabit what

Kumar calls a «planet of refugees» (p. 193), a world in which vulnerability to displacement, disposability, and even extinction has become a shared - if profoundly unequal - condition.

Considered collectively, the case studies illuminate both the structural convergences and the contextual divergences that characterised refugee politics across postcolonial Asia. Nguyen's analysis of Vietnam's partition situates population transfer within a broader genealogy of imperial boundary-making, illustrating how civilian mobility was transformed into a diplomatic instrument. Yang's examination of the Dachen evacuation demonstrates how displacement was folded into anti-communist state-building in Taiwan, even as refugees confronted precarious conditions of resettlement. Moon's study of northern refugees in South Korea shifts the focus to the domestic political consequences of cross-border migration, revealing how refugee activism contributed to the consolidation of militant Cold War nationalism. In a different register, Muzaffar's chapter on Karachi foregrounds spatial governance, arguing that urban planning and refugee resettlement operated as mechanisms for managing instability within a Cold War framework of territorial control. Finally, Nasseri and Crews complicate depoliticised humanitarian narratives in the Afghan case, showing how displaced populations were simultaneously framed as passive recipients of aid and acted as consequential political agents.

The principal strength of the volume lies in its capacity to provincialise state-centric Cold War historiography without collapsing into a celebratory account of refugee agency. By proposing the realm of displacement as a structural dimension of postcolonial order-making, the collection bridges diplomatic history and critical refugee scholarship. Its multi-archival foundation and broad geographic scope provide a significant degree of empirical soundness, while the emphasis on partition as a recurring geopolitical tool offers a compelling lens for reassessing mid-twentieth-century Asian transformations. At the same time, the volume's comparative ambition might be seen as raising questions about the degree of integration across the individual contributions. While the introduction compellingly frames refugee movements as interconnected across the region, the chapters tend to engage these connections implicitly rather than through sustained cross-referential dialogue. However, this is not easily achieved in edited collections, and this does not weaken the coherence of the collection, as it rather reflects the diversity of methodological and regional approaches assembled within it. Similarly, the broad conceptualisation of the «refugee», which proves analytically generative throughout the volume, also invites further reflection on definitional boundaries: as displacement emerges as a pervasive feature of postcolonial politics, the relationship between legal refugee status and broader forms of forcible mobility could perhaps be elaborated more explicitly. Finally, although the collection acknowledges the limited attention devoted to movements toward socialist states, this asymmetry points less to an

omission than to the enduring archival and historiographical unevenness that continues to shape the field. These considerations, far from detracting from the book's contribution, instead highlight its capacity to stimulate further comparative and theoretically nuanced scholarship on displacement in the Global Cold War.

Bibliography

Gatrell, Peter. 2013. *The Making of the Modern Refugee*. Oxford Academic

Rice, Power, and Policy Legacies in Southeast Asia

Noor Fatia Lastika Sari

Universitas Indonesia
noorfatials@ui.ac.id

Jamie S. Davidson, *Rice Politics in Southeast Asia: Legacies of the Green Revolution*. Cambridge: Cambridge University Press, 2026, 332 pp. (ISBN: 9781009624640)

Jamie S. Davidson's *Rice Politics in Southeast Asia* offers a compelling and ambitious re-interpretation of the political economy of rice in three key Southeast Asian states: Indonesia, Malaysia, and the Philippines. Moving beyond conventional explanations rooted in culture, rent-seeking, or electoral politics, Davidson advances a historically grounded and theoretically innovative argument that the enduring protectionism in rice sectors across these countries is best understood as a legacy of the Green Revolution's success rather than its failure. By foregrounding the long-term institutional and ideational consequences of a transformative developmental episode, the book positions itself at the intersection of comparative political economy, historical institutionalism, and Southeast Asian studies.

The book is structured in two main parts, preceded by a substantial introduction and followed by a comparative conclusion. The first part reconstructs the preconditions and transformative effects of the Green Revolution in the late 1960s and 1970s. Davidson begins by outlining the structural constraints faced by rice-deficient Southeast Asian states, emphasizing geographical limitations and demographic pressures that rendered full self-sufficiency elusive. Beyond explaining technical agricultural factors, the author shifts the analytical focus to the political and economic implications of this structural condition. In doing so, he highlights the centrality of rice both as a staple food and a politically charged commodity intimately tied to questions of legitimacy, development, and state capacity.

The core of Davidson's argument emerges in his treatment of the Green Revolution as a "critical juncture" that fundamentally reshaped both policy trajectories and political regimes. The dramatic increases in rice production were facilitated by technological innovations such as high-yielding varieties, irrigation systems, and chemical inputs. Davidson does not treat these developments merely as agrarian achievements. Instead, he presents them as important sources of political legitimacy. In Indonesia, Malaysia, and the Philippines alike, the success of state-led rice production programs contributed to regime consolidation, poverty reduction, and broader pro-

cesses of structural transformation. Crucially, Davidson contends that this success generated a durable institutional and ideational legacy that would outlast the immediate gains of the Green Revolution.

The second part of the book examines the post-Green Revolution period, focusing on the persistence of rice protectionism through state-controlled import regimes and continued intervention in domestic production. Through detailed country studies, Davidson demonstrates how policies such as import monopolies, price controls, and subsidies remained remarkably resilient despite sustained pressure from international financial institutions and domestic reformers advocating market liberalization. While the Philippines eventually implemented partial liberalization in 2019, Indonesia and Malaysia maintained more robust protectionist frameworks. This comparative perspective allows Davidson to highlight both common patterns and national divergences, particularly in the institutional configurations and political coalitions underpinning rice policy.

One of the book's most original contributions lies in its conceptualization of "production nationalism". Davidson introduces this term to describe a coalition of state elites, bureaucrats, and allied actors who derive both material and symbolic capital from the pursuit of rice self-sufficiency. These actors are shaped by their involvement in the Green Revolution. They exhibit what the author terms an "emotional belief" grounded in pride. This refers to an affective commitment to the idea that national dignity is tied to domestic production capacity. This conceptual move represents a notable departure from standard rationalist accounts in political economy, as it foregrounds the role of emotion and identity in sustaining policy regimes over time.

Methodologically, the book employs a comparative historical approach, combining archival research, secondary literature, and fieldwork insights. Davidson situates his analysis within the framework of historical institutionalism, drawing on concepts such as path dependence and critical junctures to explain policy continuity. At the same time, he engages extensively with alternative explanations. These include culturalist interpretations of rice as a symbolically charged commodity, agricultural political economy models, and rent-seeking theories. While acknowledging their analytical value, Davidson ultimately argues that these approaches fail to adequately account for both the timing and the durability of protectionist policies.

The strengths of *Rice Politics in Southeast Asia* are considerable. First, the book makes a significant theoretical contribution by linking the legacy of the Green Revolution to contemporary policy regimes in a systematic and persuasive manner. By reframing a widely studied developmental episode as the foundation of long-term institutional persistence, Davidson opens new avenues for understanding how policy success can generate path dependence. Second, the concept of production nationalism is both innova-

tive and analytically productive. It provides a useful lens for examining how state elites internalize and reproduce development paradigms, bridging the gap between material interests and ideational commitments. Third, the comparative scope of the book enhances its explanatory power, allowing for nuanced cross-national analysis while maintaining a coherent overarching argument.

Nevertheless, the book is not without its limitations. One potential concern lies in the extent to which the Green Revolution is positioned as a near-deterministic explanatory factor. While Davidson convincingly demonstrates its importance, the emphasis on this single historical juncture risks overshadowing other dynamics that may have contributed to the persistence of rice protectionism. For instance, the role of contemporary political coalitions, evolving global market conditions, and shifting patterns of rural-urban relations could have been more fully integrated into the analysis. In this regard, the dismissal of alternative frameworks at times appears somewhat overstated, particularly those grounded in agricultural political economy and rent-seeking.

A related issue concerns the operationalization of "emotional belief", exceptionally the role of pride in sustaining production nationalism. While the incorporation of affect into political economy analysis is a welcome and innovative move, the empirical grounding of this concept remains uneven. The extent to which pride can be systematically identified and measured across different actors and contexts remains unclear. This ambiguity raises questions about its analytical robustness. In some instances, the argument relies on inferred motivations and offers limited demonstration of causal mechanisms.

Furthermore, although the book foregrounds state elites and policy frameworks, it pays comparatively less attention to the agency of farmers and other subaltern actors. Given that smallholders constitute a significant portion of both producers and consumers in the rice economy, a more detailed exploration of their responses to and interactions with state policies would have enriched the analysis. This is particularly relevant in light of the book's acknowledgment that many smallholders are net consumers of rice and may not uniformly benefit from protectionist measures.

Finally, the comparative design is a major strength, but it also raises questions about generalizability. The focus on three net-importing countries provides a coherent analytical frame, yet it leaves open the question of how the argument might apply to rice-exporting states in mainland Southeast Asia or to other staple crops in different regional contexts. Expanding the comparative horizon could further test the broader applicability of Davidson's theoretical claims.

Despite these limitations, *Rice Politics in Southeast Asia* stands as a significant and thought-provoking contribution to the study of development, political economy, and Southeast Asian history. Its central insight – that

policy success can generate enduring institutional legacies – offers a valuable corrective to narratives that focus primarily on failure and dysfunction. By integrating historical analysis with theoretical innovation, Davidson provides a framework of interest not only to Southeast Asia specialists but also to scholars concerned with the long-term dynamics of development policy more broadly.

In sum, this book represents a rigorous and original intervention in the literature on food politics and state formation. It contributes meaningfully to the historiography of development in Southeast Asia, particularly by reinterpreting the Green Revolution as a technological, economic, and political episode with lasting institutional consequences. By situating policy continuity within a historical framework of path dependence and elite belief formation, Davidson productively bridges development history and political economy. While some claims invite further scrutiny, its analytical ambition and empirical richness make it an important reference point for future research.

How Islam Rules in Iran: Theology and Theocracy in the Islamic Republic

Luciano Zaccara

New Ground Research
luciano.zaccara@gmail.com

Mehran Kamrava, *How Islam Rules in Iran: Theology and Theocracy in the Islamic Republic*, Cambridge: Cambridge University Press, 2024, (ISBN 9781009460880).

Mehran Kamrava's *How Islam Rules in Iran: Theology and Theocracy in the Islamic Republic* extends a long research agenda on the Islamic Republic's historical formation and legitimacy narratives. The author's extensive list of books on the topic underscores this trajectory, listing (among recent titles) *Righteous Politics: Power and Resilience in Iran* (2023), *A Dynastic History of Iran: From the Qajars to the Pahlavis* (2022), and *Triumph and Despair: In Search of Iran's Islamic Republic* (2022), alongside other works.

For an area-studies journal such as *Asia Maior*, the book's value lies in its fusion of internal religious-legal debate with a clear account of how those debates become governance. It avoids treating Islam as cultural essence or mere ideological ornamentation; instead, it reconstructs the doctrinal moves and institutional pipelines through which Shi'i jurisprudence becomes political authority – and through which dissenting interpretations are disciplined.

Kamrava begins with an explicit gap statement. Although there is no shortage of books on Iran, the "intricacies" of state-religion relations, especially the jurisprudential underpinnings of theocracy, remain "highly understudied," leaving a "gaping hole" in our understanding (Preface, p. vii). The book's stake is that regime resilience cannot be explained through coercion, patronage, or constitutional design alone; it also depends on sustained ideological production in which Shi'i jurisprudence is politicized, reinterpreted, and embedded in institutional practice.

The introduction frames contemporary state-religion relations through three features. First, the state's foundations rest on an innovative reworking of *velayat-e faqih* into supreme political leadership, largely associated with Ruhollah Khomeini's reinterpretation of guardianship (Introduction, p. 1). Second, the state's jurisprudential claims have been persistently contested by clerics and lay thinkers, despite extensive bureaucratization and control of the clerical establishment (Introduction, p. 1). Third, after 2009 the state "reasserted" an idealized state-religion relationship and insti-

tutionalized an "official orthodoxy" that the author labels "Khameneism," characterized as conservative in jurisprudence, authoritarian in politics, and security-paranoid in its intolerance of dissent (Introduction, p. 2).

The book is organized as a periodized account of the "journey" of Iranian Shi'ism from revolutionary mobilization through wartime consolidation, reformist rethinking in the 1990s, and later conservative retrenchment (Introduction, p. 2). The table of contents signals a deliberate staging: early chapters establish the institutional setting and the clerical establishment, then move to jurisprudence and the evolution of guardianship, followed by chapters on religious guardianship/guidance and Islam as a source of social protection, the relationship between Islam and democracy, and the competing sources of legitimacy, before culminating in "Khameneism" and religious authoritarianism and ending with a forward-looking chapter on the Islamic Republic's trajectory (Contents, pp. v-vi).

A key conceptual move is to treat ideology as an ongoing process with identifiable arenas. Kamrava argues that the regime's theoretical underpinnings are continuously "produced and reproduced" across three "sites of ideological reproduction": official state institutions; semi-governmental bodies (research institutes, media outlets, and the theological establishment); and clerical/lay theorists whose ties to the state are "loose and indeterminate" (Introduction, p. 4). The boundaries between these sites, he adds, are "highly blurred," often making it difficult to determine where one ends and another begins (Introduction, p. 4).

Methodologically, the author signals deep engagement with Persian-language debates and a commitment to accessibility, providing a glossary of religious terms to facilitate the understanding to non-specialized readers (p. 312). For an area-studies readership, this combination – internal discourse plus clear scaffolding – enhances the book's reach beyond a narrow circle of jurisprudence specialists.

One of the book's strongest contributions is its insistence that jurisprudence is constitutive of governance. Kamrava argues that Iran is not a "run-of-the-mill authoritarian system"; its institutional complexity is partly a product of designing a system that is simultaneously Islamic and republican, requiring detailed theoretical scaffolding articulated by senior clerics who move between religious and political establishments (Introduction, p. 4). This framing is a useful corrective to analyses that treat ideology as mere rhetoric appended to security-state rule.

The three-site model is analytically useful because it avoids two distortions: leader-centric accounts that treat ideology as emanating exclusively from the apex, and culturalist accounts that treat ideology as an ambient, undifferentiated religiosity. By naming semi-governmental research institutes, media, and the theological establishment as intermediate arenas, Kamrava clarifies the institutional pipelines through which doctrine becomes policy, enforcement routines, and public pedagogy (Introduction, p.

4). The framework is also readily deployable for interpreting later episodes of tightening, recalibration, or partial opening.

"Khameneism" captures post-2009 orthodoxy and enforcement, but the author explicitly notes that Ali Khamenei is "hardly [the] sole intellectual architect" of the doctrine that bears his name. Khamenei's prolific articulation of Islamic rule operates alongside supportive institutions and a broader cohort of jurists who provide theoretical exposition and justificatory depth (Introduction, p. 5). This helps the reader see consolidation as an ecosystem rather than a single-actor project.

The book demonstrates that doctrinal disagreement produces enforceable boundaries. The introduction's discussion of Mohsen Kadivar and Hasan Yousefi Eshkevari – including trials before the Special Court for the Clergy, imprisonment/defrocking, and professional exclusion – shows how the state regulates the permissible range of theological argument (Introduction, p. 9). This linkage is crucial to the book's overall claim: jurisprudence is not "background," but a regulated arena of struggle.

For non-specialists, the commitment to limiting jargon and providing a glossary makes a difficult subject teachable. For specialists, the value lies in synthesis: Kamrava draws disparate internal debates into a coherent narrative about how theocracy is maintained through ideas as well as institutions, without reducing one to the other.

In the concluding chapter Kamrava suggests that the state increasingly relies on "forced compliance," with only a "small percentage" adopting the official ideological agenda voluntarily while many comply publicly and reject privately; he adds that exact proportions are "indeterminable under authoritarianism" (Chapter 9, p. 298). The caution is responsible, but it marks a boundary of the approach: the book is strongest on ideological production and institutionalization, less on fine-grained measurement of belief, practice, and everyday negotiation across regions, classes, and generations.

How Islam Rules in Iran delivers a coherent and conceptually disciplined explanation of how Shi'i jurisprudence is operationalized as governance in the Islamic Republic, and how theocratic authority is reproduced through an interlocking ecosystem of institutions and authorized interpreters. For an area-studies readership, its main contribution is to reposition regime durability as simultaneously institutional and jurisprudential: ideas are not merely invoked, but built into administrative routines, legal boundaries, and the policing of dissent. If some of its most consequential claims – especially the extent of intellectual "standstill" and the reach of "Khameneism" as a unifying category – invite further specification and debate, that is also a measure of the book's value: it sets an agenda that future scholarship can test, refine, and extend.

An Economic Empire in the Indian Ocean: French Strategy in Asia and the Journals of Boutin (1782-1786)

Éric Schnakenbourg

CRHIA, Nantes Université
Eric.Schnakenbourg@univ-nantes.fr

Massimiliano Vaghi, *Claude-François-Parfait Boutin en Inde et aux Mascareignes* (1782-1786). *La France en Asie à l'époque de la révolution américaine*, Sesto San Giovanni, Mimésis, 2024, 220 pp. (ISBN: 978-8869764196).

Massimiliano Vaghi is currently one of the leading specialists on French policy and presence in India in the eighteenth century, a subject to which he has devoted several studies, including *La France et l'Inde: commerces et politique impériale au XVIIIe siècle* (Mimésis, 2016). In his new book, he offers an edition of the journals of Claude-François-Parfait Boutin, who travelled in the Indian Ocean between 1782 and 1786. This source shows that, despite the reduction of the French presence in India to five trading posts after 1763, the French continued to take an interest in India, even though the British had clearly become the leading European power in the region.

There was at this time, however, no question of reviving a colonial war on the subcontinent; rather, the aim was to rethink France's role on the scale of the wider Indian Ocean region. It is precisely within this perspective that the ideas of Claude-François-Parfait Boutin should be understood. He advocated relying on the Mascarene Islands (Bourbon and Île de France, now Réunion and Mauritius) to develop an economic system that would serve as a foundation for restoring the French presence in India. This outlook must be seen in the broader context of the American War of Independence and Great Britain's loss of its thirteen North American colonies. Boutin clearly perceived that this major shift within the British Empire would lead the London government to refocus its attention on the Indian Ocean.

Massimiliano Vaghi's book opens with a lengthy contextualisation of the situation in India and the Mascarene Islands in the mid-eighteenth century. The author first provides a very thorough historiographical overview, effectively tracing the evolution of research in this field in recent years. He shows clearly how the final decades of the eighteenth century were long neglected by French historiography, as they were marked by a sense of decline following the defeat in the Seven Years' War. However, he also notes that recent studies have reassessed the French presence and its role in the Indian Ocean in a more positive light. It is within this renewed historiographical context that the edition of Boutin's journals takes its place.

Claude-François-Parfait Boutin, born in 1759 into a family of the robe nobility, embarked at Cádiz in 1782 to join the French troops in the East Indies under the command of the Marquis de Bussy. At that time, the Mascarene Islands were closely linked to the French establishments in India, and much thought was given to how these bases might develop synergies and help strengthen the French presence in the Indian Ocean. When the American War of Independence broke out, the government at Versailles decided to send an expedition to India, thereby helping to extend the conflict on a global scale. The explanation provided for the motivations behind this expedition, however, leaves the reader somewhat unsatisfied, especially when compared to the level of detail offered elsewhere on points of lesser importance for understanding Boutin's writings. Nevertheless, it is clear that, in French thinking, the Indian theatre formed part of the vast stage of the war against Great Britain that had begun in America. Readers unfamiliar with French policy in India will no doubt find of interest the pages that Massimiliano Vaghi devotes to Bussy's diplomacy in India and to the military events. The lengthy contextual section (pp. 17-101) includes passages that are highly useful for understanding Boutin's travel journals, while the contribution of other sections – such as the one on contemporaries' perceptions of the Franco-Anglo-Indian wars (*La perception des guerres franco-anglo-indiennes par les contemporains* (and not « *contemporaines* »). – appears less evident.

Boutin's journals are preserved at the Bibliothèque de l'Arsenal in Paris. They consist of four sections: *"Voyage from France to the Indies"* (1782-1783), *"Voyage from the Isle de France to Pondicherry"* (1785), *"Voyage from the Isle de France to Bourbon"* (1785), and *"Tour of the Interior of the Isle de France"* (1786). Boutin's adventure began on 11 May 1782 with his departure from Paris for Spain by land. He embarked at Cádiz as part of a convoy that left Spain on 16 July. After a month-long stop at the Cape of Good Hope, Boutin set sail again and arrived at Porto Novo on 17 March 1783. He then provides a detailed description of the Battle of Cuddalore and the subsequent engagements in June 1783.

Thereafter, Boutin travelled throughout the Indian Ocean, spending a year and a half on the Isle de France before moving on to Bourbon, which he describes in detail, including its different regions, its agriculture, and its inhabitants, whom he observes – regretfully – to be of mixed descent, born of unions between white settlers from France and Black populations. His final journal is a description of the Isle de France, in which Boutin once again displays his curiosity, particularly in his observations of nature. He notes above all that the island was insufficiently exploited due to a lack of enslaved labour. Boutin's observations clearly show him to be a man of the Enlightenment, endowed with wide-ranging curiosity. This aspect might perhaps have deserved further development. The journal ends somewhat abruptly, prompting questions about its original intended purpose.

Boutin's journals are of interest in three main respects: first, for the information they provide on navigation; second, for their account of military episodes in India during the final year of the American War of Independence; and third, as travel narratives offering descriptions of the Mascarene Islands. Boutin does not, however, address broader political considerations, leading Massimiliano Vaghi to wonder to what extent he was aware of the major international issues at stake. The principal contribution of Boutin's writings lies in his observations and reflections on the economic potential of the Mascarene Islands, which could have made possible the reconstitution of a French empire in the Indian Ocean that would be more economic than political in nature.

Although the source itself is undeniably valuable, the volume as a whole suffers from a general weakness in its use of the French language. One notes linguistic errors, confusion between masculine and feminine forms for certain words, misspelled proper names (Rousselot de Surgy, not de Sourgy, p. 85), and above all inconsistent capitalization – for example, the systematic use of "Océan indien" instead of the correct form "océan Indien." One may also point to some surprising assertions, such as: «[Au XVIIIe siècle] l'Européen…conquiert l'espace asiatique et le rend sujet aux lois et aux canons occidentaux»? (p. 103). Despite these reservations, Massimiliano Vaghi's book remains a valuable contribution to our knowledge of French policy in the Indian Ocean in general and, more specifically, in the late eighteenth century – a period largely neglected by French historiography.

A Part Apart Yet in the Centre: Ambedkar's Thought in the times of democratic precarity

Minee Pratiksha

University of Zürich
minee.pratiksha@uzh.ch

Ashok Gopal, *A part apart: The life and thought of B.R. Ambedkar*. Navayana Publishing, 2023, 731 pp. (ISBN: 978-81-95838-51-6).

Almost 70 pages into an unceasing focus, I found that the author has "dared to write" as a non-Dalit on the most iconic Dalit figure in history (p 53). *A Part Apart* is a detailed work that reads not only as a biography of Dr. B.R. Ambedkar but also as a tribute, a sourcebook, and a unique historiographical contribution to understanding caste and modern India. While it celebrates Ambedkar, it does not reduce him to a myth. Instead, it animates him in full character via his anxieties and realities throughout his journey. It is felt by the reader, with his pragmatism and evolution. In this way, the book is much more than a mere account of a national figure's life. It becomes a source of its own, an archive for future historians and Ambedkarites to return to. In a world where Ambedkar's voice is routinely scattered across several volumes and distorted by political rhetoric, Ashok Gopal has edited, thought about, and placed his own argument pieces with rare integrity and positionality. The book relies on Ambedkar's own writings from his earliest works in *Mooknayak* to his most influential speeches and critical pieces, uniquely not only focusing on his English writings but also on Marathi texts. Indeed, even its title is a quotation from one of Ambedkar's own speeches (p.41).

The book is a journey, charting Ambedkar's path from a Dalit boy with an irrepressible love of knowledge to a philosopher, economist, lawyer, feminist, and ultimately, the architect of the most comprehensive written constitution in the world, whose emancipatory vision continues to shape India's conscience. His life is presented as a dynamic inquiry into the realities of caste, social justice, anti-colonial movement and democracy. The author avoids transforming Ambedkar into a static icon; instead, he emerges as a changing, learning, suffering, and ever-questioning figure. The reader encounters not merely Ambedkar's conclusions on social issues, but the debates, reflections, and even the anguish that led to those positions. This is particularly evident in the book's discussion of Ambedkar's shifting stances on caste, land reform, and political representation (p. 316, 329, 340).

Historians in general, and caste scholars specifically, will find the book rewarding both in terms of content material and methodology. It points to

the lacunae in Indian historiography and signals how much remains to be unearthed, above all from the vantage point of those traditionally excluded from the archive (p. 245, 334). By tracing the evolution of Ambedkar's writing, the book documents his intellectual development, showing how his initial thoughts matured into robust structures in his later work. For instance, where earlier works speak of the evils of caste as a system of social stratification, later works sharpen the critique, recasting caste as an anti-democratic system that must be structurally dismantled. As the author notes, caste, for Ambedkar, was a vehicle of permanent inequality, captured in the metaphor of a "tower without a staircase» (p 194). Ambedkar, thus, argues that caste classification is contrary to the principles of modern democracy and inimical to social harmony. A number of intriguing episodes surface across the varied writings collected in this volume.

Gopal compares Ambedkar with Edmund Burke and argues that Burke used to write formal speeches to achieve political success, a strategy later adapted by Ambedkar. *Annihilation of Caste* (1936) is his most famous and reproduced work, originally written as a speech, which he never got to deliver. He also drew on other sources during his time at Columbia University. He adopted James Harvey Robinson's focus on connecting history to the lives of ordinary people, a break from a traditional Indian historiography that idealized the past. Instead, Ambedkar examined the roots of present social issues. His concept of an 'intellectual class' reflects Robinson's influence. James Shotwell's evolving view of religion also shaped Ambedkar's critique of Hinduism, as seen in his essays *Philosophy of Hinduism* and *Riddles in Hinduism*. John Dewey's ideas on democracy deeply influenced Ambedkar's thought. The philosophical dimensions of Ambedkar's thought are neither diluted nor decontextualized. The book distills key positions of the anti-caste critique with precision: caste as a globally unique, anti-democratic system that sustains inequality and erodes solidarity. Here, Gopal brings clarity to the dispersed and often misread body of Ambedkar's writings, constructing a coherent Ambedkarite philosophy from fragments that would otherwise lie scattered.

Several interesting themes emerge. Beyond politics and scholarship, the book reveals the emotional truths of Ambedkar's life. It recounts the financial difficulties that dogged his journalistic ventures – *Mooknayak* and other short-lived periodicals that folded under unpaid printing bills (p. 161). It sheds light on personal tragedies, among them the devastating death of his fourth child. These episodes are not merely sentimental; they are key to understanding Ambedkar as a man who bore the burden of exclusion and isolation – not just intellectually or politically, but personally and emotionally. The book offers a powerful image of Ambedkar as a «man of many roles»: a son, a father, a husband, a student, a lawyer, a creator (the constitution of independent India), a littérateur, and a champion of human rights (p. 239). This multiplicity enriches our understanding of how caste

oppression must be tackled not only from the political podium but in every role one inhabits.

Another strength of the book is its account of the major figures who influenced Ambedkar or crossed paths with him – his teachers abroad, political contemporaries, and philosophical interlocutors. Lesser-known figures such as Thakkar Bapa, Dadasaheb Gaikwad, B.D. Khobragade and other allies come alive not as marginal players but as co-actors in a struggle much larger than themselves. In recovering these lives, the book tells a parallel story of Indian history, one that remains invisible in mainstream accounts and even in the curricula of the Indian education system to this day. Here, Ambedkar is not an anomaly or a footnote in Gandhi and Nehru's India; he is central, elemental, and radically transformative. The discussion of feminist politics (pp. 287, 543, 692) and Ambedkar's readiness to criticize British colonial rule (p. 298) add layers to his persona, showing him as someone deeply committed to justice in all its forms and unafraid to name power for what it was – oppressive, whether foreign or indigenous.

The book has many moving sections. One reflects how, after Ambedkar's death, his workspace, writings, and unfinished projects were insensitively and indecently handled. In 1967, a group of men forcibly entered the premises where Ambedkar's wife was living, seized the key from her servant, and emptied the rooms. They dumped his belongings – countless precious documents and manuscripts – into an open yard. That night, a heavy rainstorm soaked the exposed pile of papers, irreparably damaging many. Gopal attempts to document Ambedkar's life, yet to complete that record – or even to trace the contours of what remains untraceable – is an impossible task. And yet this is a political and scholarly gesture. Rather than imposing closure, it invites the reader, especially Ambedkarite intellectuals and activists, to pick up the threads and carry them forward. It is also here that the book turns towards present-day concerns. On questions such as land reform (p. 306), it places Ambedkar not as a thinker of the past but as a citizen of the present, well ahead of his time, anticipating debates that India is today grappling with.

Ambedkar's passionate engagement with Buddhism, especially towards the later part of his life, has remained under-explored in academic literature. Gopal fills this gap by engaging at length with specific Buddhist texts and traditions that shaped Ambedkar's final shift in ideology. By documenting and analysing Ambedkar's careful study of Buddhist literature, such as the *Dhammapada*, and his interaction with global Buddhist movements (p.715), Gopal reveals the intellectual gravitas behind Ambedkar's conversion and his creation of Navayāna Buddhism.

The presentation of Ambedkar's anti-caste movement codes in relation to the Mahad Satyagrah of 1927, as symbolic power, reverberates right through the final chapters, keeping the reader in a state of awe and realising the urgency for more such changes in society. It recounts Ambedkar's life not

to canonise him but to empower readers to understand, extend, and apply his vision. Specifically, the book directs readers to Ambedkar's own writings, such as *Untouchables or The Children of India's Ghetto* (an unpublished essay), *Waiting for a Visa* (1934-35), *Pakistan or Partition of India* (1945), so that they can build on both his knowledge and carry forward what the book begins. Finally, it imparts a sense of timelessness to the philosophy of Ambedkar, which remains as relevant today as it was nearly a century ago. And perhaps most importantly, it asserts that although Ambedkar's enterprise is unfinished, his thought continues to light the long road toward emancipation.

APPENDIX
ASIA MAIOR'S ISSUES

Annual issues

Vol. I Giorgio Borsa e Paolo Beonio-Brocchieri (a cura di), *Asia Major. Un mondo che cambia*, Ispi/il Mulino, Bologna 1990 (*Asia Major*, Vol. I/1990);

Vol. II Giorgio Borsa e Paolo Beonio-Brocchieri (a cura di), *L'Altra Asia ai margini della bufera. Asia Major 1991*, Ispi/il Mulino, Bologna 1991 (*Asia Major*, Vol. II/1991);

Vol. III Giorgio Borsa (a cura di), *Le ultime trincee del comunismo nel mondo. Asia Major 1992*, Ispi/il Mulino, Bologna 1992 (*Asia Major*, Vol. III/1992);

Vol. IV Giorgio Borsa (a cura di), *La fine dell'era coloniale in Asia Orientale. Asia Major 1993*, Ispi/il Mulino, Bologna 1993 (*Asia Major*, Vol. IV/1993);

Vol. V Giorgio Borsa e Enrica Collotti Pischel (a cura di), *Luci e ombre sullo sviluppo in Asia Orientale. Asia Major 1994*, CSPEE/il Mulino, Bologna 1994 (*Asia Major*, Vol. V/1994);

Vol. VI Giorgio Borsa e Giovanna Mastrocchio (a cura di), *Tra Democrazia e neoautoritarismo. Asia Major 1995*, CSPEE/il Mulino, Bologna 1995 (*Asia Major*, Vol. VI/1995);

Vol. VII Giorgio Borsa e Giovanna Mastrocchio (a cura di), *Integrazione regionale e ascesa internazionale. Asia Major 1996*, CSPEE/il Mulino, Bologna 1996 (*Asia Major*, Vol. VII/1996);

Vol. VIII Giorgio Borsa (a cura di), *Continua il miracolo asiatico? Asia Major 1997*, CSPEE/il Mulino, Bologna 1997 (*Asia Major*, Vol. VIII/1997);

Vol. IX Giorgio Borsa (a cura di), *L'Asia tra recessione economica e minaccia nucleare. Asia Major 1998*, CSPEE/il Mulino, Bologna 1998 (*Asia Major*, Vol. IX/1998);

Vol. X Giorgio Borsa e Michelguglielmo Torri (a cura di), *L'incerta vigilia del nuovo secolo in Asia. Asia Major 1999*, CSPEE/il Mulino, Bologna 1999 (*Asia Major*, Vol. X/1999);

Vol. XI Giorgio Borsa, Corrado Molteni e Francesco Montessoro (a cura di), *Crescita economica e tensioni politiche in Asia all'alba del nuovo millennio. Asia Major 2000*, CSPEE/il Mulino, Bologna 2000 (*Asia Major*, Vol. XI/2000);

Vol. XII Giorgio Borsa, Corrado Molteni e Francesco Montessoro (a cura di), *Trasformazioni politico-istituzionali nell'Asia nell'era di Bush. Asia Major 2001*, CSPEE/il Mulino, Bologna 2001 (*Asia Major*, Vol. XII/2001);

Vol. XIII Elisa Giunchi, Corrado Molteni e Michelguglielmo Torri (a cura di), *L'Asia prima e dopo l'11 settembre. Asia Major 2002*, CSPEE/il Mulino, Bologna 2003 (*Asia Major*, Vol. XIII/2002);

Vol. XIV Corrado Molteni, Francesco Montessoro e Michelguglielmo Torri (a cura di), *Le risposte dell'Asia alla sfida americana. Asia Major 2003*, CSPEE/Bruno Mondadori, Milano 2004 (*Asia Major*, Vol. XIV/2003);

Vol. XV Corrado Molteni, Francesco Montessoro e Michelguglielmo Torri (a cura di), *Multilateralismo e democrazia in Asia. Asia Major 2004*, Bruno Mondadori, Milano 2005 (*Asia Major*, Vol. XV/2004);

Vols. XVI & XVII Michelguglielmo Torri (a cura di), *L'Asia negli anni del drago e dell'elefante 2005-2006. L'ascesa di Cina e India, le tensioni nel continente e il mutamento degli equilibri globali*, Guerini e Associati, Milano 2007 (*Asia Major*, Vol. XVI & XVII/2005-2006);

Vol. XVIII Michelguglielmo Torri (a cura di), *L'Asia nel «grande gioco». Il consolidamento dei protagonisti asiatici nello scacchiere globale*, Guerini e Associati, Milano 2008 (*Asia Major*, Vol. XVIII/2007);

Vol. XIX Michelguglielmo Torri e Nicola Mocci (a cura di), *Crisi locali, crisi globali e nuovi equilibri in Asia*, Guerini e Associati, Milano 2009 (*Asia Major*, Vol. XIX/2008);

Vol. XX Michelguglielmo Torri e Nicola Mocci (a cura di), *L'Asia di Obama e della crisi economica globale*, Guerini e Associati, Milano 2010 (*Asia Major*, Vol. XX/2009);

Vol. XXI Michelguglielmo Torri e Nicola Mocci (a cura di), *Ripresa economica, conflitti sociali e tensioni geopolitiche in Asia*, Emil di Odoya, Bologna 2011 (*Asia Major*, Vol. XXI/2010);

Vol. XXII Michelguglielmo Torri e Nicola Mocci (a cura di), *L'Asia nel triangolo delle crisi giapponese, araba ed europea*, Emil di Odoya, Bologna 2012 (*Asia Major*, Vol. XXII/2011);

Vol. XXIII Michelguglielmo Torri e Nicola Mocci (a cura di), *Rallentamento economico e debolezza della politica in Asia*, Emil di Odoya, Bologna 2013 (*Asia Major*, Vol. XXIII/2012);

Vol. XXIV Michelguglielmo Torri e Nicola Mocci (a cura di), *Il dragocinese e l'aquila americana sullo scacchiere asiatico*, Emil di Odoya, Bologna 2014 (*Asia Major*, Vol. XXIV/2013);

Vol. XXV Michelguglielmo Torri and Nicola Mocci (eds.), *Engaging China, Containing China*, Emil di Odoya, Bologna 2015 (*Asia Major*, Vol. XXV/2014);

Vol. XXVI Michelguglielmo Torri and Nicola Mocci (eds.), *The Chinese-American Race for Hegemony in Asia*, Viella, Roma 2016 (*Asia Major*, Vol. XXVI/2015);

Vol. XXVII Michelguglielmo Torri and Nicola Mocci (eds.), *The End of The Obama Era in Asia, Viella*, Roma 2017 (*Asia Major*, Vol. XXVII/2016);

Vol. XXVIII Michelguglielmo Torri, Elisabetta Basile and Nicola Mocci (eds.), *Asia in the Waning Shadow of American Hegemony*, Viella, Roma 2018 (*Asia Major*, Vol. XXVIII/2017);

Vol. XXIX Michelguglielmo Torri and Nicola Mocci (eds.), *Reacting to Donald Trump's Challenge*, Viella, Roma 2019 (*Asia Major*, Vol. XXIX/2018);

Vol. XXX Michelguglielmo Torri, Nicola Mocci and Filippo Boni (eds.), *Escalating international tensions and authoritarian involution*, Viella, Roma 2020 (*Asia Major*, Vol. XXX/2019).

Vol. XXXI Michelguglielmo Torri, Nicola Mocci and Filippo Boni (eds.), *Asia in 2020: Coping with COVID-19 and other crises*, Viella, Roma 2021 (*Asia Major*, Vol. XXXI/2020).

Vol. XXXII Michelguglielmo Torri, Filippo Boni and Diego Maiorano (eds.), *Asia in 2021: In the grip of global and local crises*, Viella, Roma 2022(*Asia Major*, Vol. XXXII/2021).

Vol. XXXIII Michelguglielmo Torri, Filippo Boni and Diego Maiorano (eds.), *Asia in 2022: The impact of the Russia-Ukraine war on local crises*, Viella, Roma 2023 (*Asia Major*, Vol. XXXIII/2022).

Vol. XXXIV Michelguglielmo Torri, Filippo Boni and Diego Maiorano (eds.), *Asia in 2023: Navigating the US-China rivalry*, Viella, Roma 2024 (*Asia Major*, Vol. XXXIV/2023).

Vol. XXXV Michelguglielmo Torri, Filippo Boni, Diego Maiorano and Elena Valdameri (eds.), *Asia in 2024: Fragile democracies amid global turmoil*, Viella, Roma 2025 (*Asia Major*, Vol. XXXV/2024).

Special issues

Special issue 1, Lorella Tosone, Angela Villani, Nicola Mocci (eds.), *Foreign Aid in Asia: Traditional and «New» Donors in a Changing Development Landscape*, Rome 2018 (*Asia Maior – Special issue* No. 1/2018);

Special issue 2, Giulio Pugliese, Andrea Fischetti, Michelguglielmo Torri (eds.), *US-China Competition, COVID-19 and Democratic Backsliding in Asia*, Rome 2022 (*Asia Maior – Special issue* No. 2/2022).

Special issue 3, Michelguglielmo Torri, Marzia Casolari (eds.), *Modi's India: Hegemonic Narrative and the Reality of an Authoritarian Regime (2014-2025)*, Rome 2026 (*Asia Maior – Special issue* No. 3/2026).

ACKNOWLEDGEMENTS

The Asia Maior think tank owes a debt of gratitude both to the Centro Studi Vietnamiti of Turin, which hosts the think tank official seat, and, in particular, to its Director, Ms. Sandra Scagliotti, for her continuous and generous support. This debt is here gratefully acknowledged.

Finito di stampare.
nel mese di luglio 2026
da The Factory s.r.l.
Roma