

# *INSIGHT* SOUTHEAST ASIA

Looking Eastwards From New Delhi



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## Overview

In March, Southeast Asia and India had significant diplomatic engagements. Notably, New Zealand's Prime Minister Christopher Luxon made his first bilateral visit to New Delhi and presided as the Chief Guest for the 10th Raisina Dialogue where he championed the importance of bilateral ties for the Indo Pacific. Armed Forces Chief of The Philippines created headlines at the dialogue when he expressed that Manila was looking to expand the "SQUAD" group by including partners like India and South Korea. The US Defence Secretary visited the Philippines and reaffirmed US commitment to the bilateral defence treaty reassuring support amidst China's expansionist behaviour. The Ninth India-Australia Defence Policy Dialogue took place in New Delhi, wherein both nations pledged to continue to work towards strengthening their defence cooperation. Southeast Asia also suffered shocks from a devastating 7.7-magnitude earthquake epicentre in Myanmar, that flattening skyscrapers from up till Thailand. India stepped in to aid Myanmar with rescue and relief operations.

## **New Zealand PM Christopher Luxon's first bilateral visit to New Delhi**

New Zealand Prime Minister Christopher Luxon visited New Delhi from March 15-19, 2025, for a bilateral visit as well as presided as Chief Guest and Keynote speaker at the 10th Raisina Dialogue. He emphasised New Zealand's commitment to a stable,

inclusive Indo-Pacific and a rules-based order and the importance of the bilateral relationship to the region. Luxon strongly supported India's bid for a permanent seat on the UN Security Council, and emphasises the evolving India-New Zealand partnership including the growing diversification of trade between the nations. In his meeting with Indian Prime Minister Narendra Modi, both leaders committed to strengthening defence ties, addressing global challenges like climate change and signed agreements to enhance cooperation in critical minerals, renewable energy, food processing, and medicine. Talks also aimed at advancing a comprehensive Free Trade Agreement with the potential to boost trade tenfold in the next decade, covering agriculture, critical minerals, pharmaceuticals, and tourism. New Zealand is committed to expanding collaboration with India across various sectors, including education, sports, and defence

## **Philippines Wants to Expand 'Squad' Grouping to Include India, South Korea**

At the Raisina Dialogue in New Delhi, General Romeo S. Brawner, Philippines Armed Forces Chief, created headlines by expressing that the Philippines and its partners in the minilateral grouping known as the Squad (involving the US, Japan, Australia), are seeking expand it to include India and South Korea. The grouping which aims to counter China's expansionist behaviour in the South China Sea has seen its defence forces share intelligence and conducting

cooperative maritime operations in the SCS exclusive economic zone. Brawner's comments come at a time when there have been heated exchanges between Beijing and Manila in the disputed waters. China Coast Guard ships have attempted to enforce Beijing's unlawful claims by ramming, blocking, and firing water cannons at Philippine vessels. In addition, China's grey zone tactics include disruption of oil and gas activities in Indonesian, Malaysian, and Vietnamese waters and harassing of fishing crews in Philippine waters. Meanwhile New Delhi has remained silent on the issue.

### **US Defense Secretary Pete Hegseth visits the Philippines**

US Secretary of Defence Pete Hegseth made his inaugural visit to the Philippines as part of his first trip to the Indo-Pacific region to meet with President Ferdinand Marcos, Jr. and Secretary of National Defence Gilberto Teodoro. Hegseth reaffirmed Washington's "ironclad" commitment to a defence treaty with the Philippines and promised to provide its partner with cutting-edge capabilities to bolster deterrence against threats, including "aggression" from China. The three leaders signalled strong cooperation for ensuring peace in the Indo-Pacific region. According to Hegseth, the United States will provide "additional advanced capabilities to the Philippines" for the joint Balikatan exercises, including unmanned surface vehicles and anti-ship missile systems. Meanwhile, the Chinese military said that it conducted a patrol in the South

China Sea when the US Defence Secretary visited the Philippines. Hegseth's visit is significant as US allies remain anxious about Trump's handling of alliances during his second term. Trump has talked at length about the need for allies and partners to do more and to pay their fair share.

### **Hegseth: U.S committed to defence of Pacific territories against China**

U.S. Secretary of Defence Pete Hegseth also concluded a strategic visit to Guam, highlighting the island's crucial role in the U.S. military's Indo-Pacific operations. Located about 1,600 miles southeast of Taiwan and 250 miles from mainland China, Guam is a key asset in America's strategic competition with China. It hosts essential air bases, including Andersen Air Force Base, which supports bombers, fighter jets like the F-35, and long-range aircraft vital for operations in the region. During his visit, Hegseth emphasized the importance of Guam as a hub for deterrence and combat readiness. "These islands are the tip of America's spear in the Pacific," he said, underscoring their role in advancing American interests and protecting regional stability. Hegseth also reaffirmed the U.S.'s commitment to defending Guam, stating that any attack on the island would be considered an attack on the U.S. His visit was closely watched in the Pacific for signs of the Trump administration's commitment to traditional allies following a rift between Washington and Europe that has tested the decades-old transatlantic alliance.

### **9th India-Australia Defence Policy Dialogue**

India and Australia committed to strengthening defence cooperation during the 9th India-Australia Defence Policy Talks held in New Delhi on March 17, 2025. The discussions focused on enhancing interoperability across maritime, land, and air domains, as well as boosting maritime domain awareness, reciprocal information sharing, and collaboration in science and technology. The meeting reviewed past defence dialogues, including the 2+2 Ministerial Dialogue and inter-sessional consultations, and set the stage for future engagements. Key highlights included preparations for the next 2+2 Ministerial Dialogue in Australia, exploring defence industry collaborations, and strengthening strategic partnerships through increased defence exercises. The two nations also discussed finalising key agreements to enhance defence trade and shared participation in major defence trade expos.

### **Indonesian rupiah nears record low**

As investor confidence in the largest economy in Southeast Asia was shaken by concerns about slowing growth and increased government spending, Indonesia's currency approached a record low vs the US dollar. As the worst-performing Asian currency this year, the rupiah has lost 3% vs the dollar, forcing the central bank to intervene frequently in the market to stop the losses. As concerns about President Prabowo's big social expenditure promises, budget cuts, and

the cancelation of a tax hike mount, investor confidence in Indonesia has been declining. Investors have expressed concern over Prabowo's ambitious plan to deliver free meals to over 25% of his population for 71 trillion rupiah (\$4.29 billion). The program's cost has alarmed markets, who fear that taking on more debt to finance it could damage the nation's hard-earned image for fiscal restraint in recent years.

### **Devastating Earthquake in Myanmar, India sends relief, rescue teams**

A powerful 7.7-magnitude earthquake shook most of Southeast Asia, flattening skyscrapers from Thailand to Myanmar and causing an increasing number of fatalities. The second-largest city in Myanmar, Mandalay, served as the epicenter. Even Bangkok, which is around 600 miles away, had severe earthquake damage, including the complete collapse of a skyscraper that was still under construction. In Myanmar, the earthquake killed almost 2,000 people. And international relief efforts are ongoing amidst a civil war. India launched Operation Brahma to aid rescue and relief work, pitching in with tonnes of ration, tents, medicines, sleeping bags, rescue teams and equipment, canine squad and a fully functional field hospital.

Prime Minister Narendra Modi spoke to Senior General Min Aung Hlaing, who heads the military-led government in Myanmar, after the earthquake— his first call with the military leader since the February 2021 coup there.