

INSIGHT SOUTHEAST ASIA

Looking Eastwards From New Delhi



MANOHAR PARRIKAR INSTITUTE FOR
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Overview

The region in mid-2025 is undergoing dynamic political transformations driven by elections, evolving alliances, and strategic hedging in the midst of US-China strategic competition. Australia's federal election delivered a historic victory for Prime Minister Anthony Albanese's Labor Party, reinforcing domestic support and a recalibrated regional focus. In Singapore, the People's Action Party retained power under Prime Minister Lawrence Wong, though public calls for transparency are growing. The Philippines mid-term polls exposed intensifying rivalries between President Marcos Jr. and Vice President Sara Duterte ahead of the 2028 race. ASEAN's 46th Summit, led by Malaysia, emphasized strategic autonomy amid global economic and geopolitical headwinds. At the Shangri-La Dialogue, shifting defense strategies and regional divisions came into sharp focus. The Philippines and Germany signed a new defense cooperation agreement, expanding Manila's international military ties. France deepened its Indo-Pacific engagement with Vietnam, while China reaffirmed influence through Pacific Islands diplomacy and exerted pressure on Myanmar's armed groups to safeguard Belt and Road projects.

Australia's PM makes a comeback in federal elections

The outcome of Australia's May 3, 2025, federal election marked a

dramatic shift in the country's political landscape. Defying expectations, the Australian Labor Party (ALP), led by Prime Minister Anthony Albanese, not only secured re-election but did so with a historic mandate. Winning 94 seats in the House of Representatives—matching the Coalition's 1996 record—the ALP achieved the largest seat count ever by a single party in Australian history. The Liberal Party suffered a major collapse, including the loss of party leader Peter Dutton's seat. Analysts attribute this to a weak campaign, unclear messaging, and failure to connect with younger and more diverse voters. Voters prioritised domestic concerns such as clean energy, healthcare, and the cost of living. The election reaffirmed general foreign policy continuity but signalled subtle recalibration. The Albanese government is sharpening its regional focus, particularly on ties with Indonesia and Papua New Guinea, amid growing Indo-Pacific strategic competition. Canberra is pursuing deeper defence and intelligence cooperation with Jakarta while managing a delicate balance between strategic alignment with the U.S. and economic ties with China. Although support for AUKUS and U.S. military integration remains strong, growing public skepticism toward American reliability—amplified by Donald Trump's protectionist stance—has raised concerns. Experts caution that Australia's measured defence spending and nuanced China policy could cause friction with Washington.

Singapore's 2025 General Elections

Singapore's 2025 general election reaffirmed the People's Action Party's (PAP) dominance but also signaled subtle political shifts under Prime Minister Lawrence Wong. The PAP won 87 of 97 seats with 65.57% of the vote—its best result since 2011—reflecting continued trust in its leadership amid global instability. However, public expectations around transparency, housing, and accountability have grown, especially among younger voters. While the Workers' Party (WP) retained its 10 elected seats and two NCMPs, it failed to expand further, highlighting structural limits within Singapore's tightly controlled political framework. Other opposition parties struggled, consolidating the WP's status as the leading alternative.

The campaign unfolded amid economic headwinds, inflation, and high living costs. The PAP's technocratic message emphasized continuity, while corruption scandals—such as the 2024 case involving former transport minister S Iswaran—challenged its image of incorruptibility. Though institutional advantages like Group Representation Constituencies (GRCs) and media controls continue to favour the ruling party, the electorate showed signs of becoming more discerning and less deferential. Wong passed his first electoral test, observer say his leadership lacks the personal appeal of his predecessors.

The Philippine mid-term elections

The 2025 Philippine midterm elections underscored the deepening political rivalry between President Ferdinand “Bongbong” Marcos Jr. and Vice President Sara Duterte, signaling a turbulent lead-up to the 2028 presidential race. Marcos's coalition, Alyansa Para sa Bagong Pilipinas, despite strong congressional backing, secured only six of twelve Senate seats. In contrast, the pro-Duterte “Duter10” slate outperformed expectations, fueled by public outrage over former President Rodrigo Duterte's arrest and extradition to The Hague for alleged crimes against humanity. Vice President Sara Duterte, facing impeachment and legal scrutiny, positioned herself as the embattled face of opposition, using her nationwide campaign to portray her father's arrest as politically motivated. Her approval ratings rose despite limited Senate backing. Key figures like Senator Imee Marcos and Deputy Speaker Camille Villar defected from the Marcos camp, exposing rifts over Marcos's attempt to install House Speaker Martin Romualdez as his 2028 successor. Meanwhile, progressive opposition leaders Paolo Benigno “Bam” Aquino IV and Francis “Kiko” Pangilinan gained Senate seats, reflecting public appetite for reformist alternatives. The 2028 presidential elections are thought to be predicted by the midterm elections, particularly the nationally elected Senate. Voters prioritized economic relief, healthcare, and territorial sovereignty, yet these

concerns were overshadowed by elite power struggles. Marcos now faces rising inflation, internal dissent, and growing U.S.-China tensions, testing his ability to maintain stability amid political polarisation.

The 46th ASEAN Summit under Malaysia's Chairmanship

The 46th ASEAN Summit, held in Kuala Lumpur under Malaysia's 2025 chairmanship, marked a critical mid-year milestone for the bloc. Prime Minister Anwar Ibrahim emphasized an inclusive, sustainable, and strategically autonomous ASEAN, warning against the bloc becoming a pawn in great power rivalries. The summit culminated in the Kuala Lumpur Declaration on ASEAN 2045: Our Shared Future, setting a long-term vision focused on unity, resilience, and diversified partnerships. Key issues included U.S. tariffs, the South China Sea, and Myanmar's conflict. President Donald Trump's tariff hikes—ranging from 10% to 49%—hit ASEAN economies hard. A temporary 90-day pause prompted Malaysia and Singapore to initiate trade talks. Anwar noted the U.S. pledged a “sympathetic” review of Malaysia's case, but emphasized strengthening ties with China, India, and the EU. The summit also featured the first ASEAN-GCC-China trilateral summit, enhancing economic and strategic cooperation. Despite territorial disputes, Anwar assured ASEAN would remain neutral and cohesive amid U.S.-China tensions. On Myanmar, Anwar highlighted recent talks with junta chief

Min Aung Hlaing and the opposition's National Unity Government, focused on humanitarian access. Though Myanmar's junta remains banned from ASEAN summits, leaders renewed calls for ceasefire expansion and political dialogue, reflecting Malaysia's proactive diplomacy.

Singapore hosts Shangri-la Dialogue amidst global flux

The 2025 Shangri-La Dialogue in Singapore reflected growing geopolitical fragmentation and strategic recalibration among key Indo-Pacific stakeholders. Observers highlighted a notable shift in U.S. policy under Secretary of Defense Hegseth, prioritizing "strategic decision space" for President Trump rather than shared leadership. The U.S. expects allies like Japan, Australia, and Korea to increase defence contributions while reducing dependence on Washington's immediate response—a move towards hierarchical burden-sharing. A central theme was the geopolitical segmentation between regions. Hegseth urged European allies to prioritise Europe over Indo-Pacific involvement, breaking from recent trans-theatre solidarity. In contrast, President Macron called for new Asia-Europe coalitions, noting interconnected security challenges, including North Korea's involvement in Ukraine and Sino-Russian military ties. China's absence from the dialogue was striking. Despite its no-show, China dominated discussions, particularly regarding deterrence, regional hegemony, and Taiwan.

Simultaneously, high-level delegations from India and Pakistan, amid recent border clashes, underscored South Asia's volatility. Japan promoted inclusive multilateralism, notably through Defence Minister Nakatani's "OCEAN" initiative, aiming to expand cooperative defence norms across partners like the Philippines and Australia. However, Korea's absence and hesitancy reflected regional sensitivities to expanded military concepts. ASEAN's role was reaffirmed but also tested. PM Anwar Ibrahim called for economic openness and strategic neutrality, while Philippine Defence Secretary Teodoro advocated deeper U.S. engagement. Observers noted the dialogue reflected how ASEAN struggles with unity, especially on South China Sea issues, but aims to preserve autonomy through diversified global partnerships amid intensifying U.S.–China rivalry.

Philippines and Germany explore defence cooperation

As Manila forges a number of alliances to fortify its position in a protracted conflict with China in the disputed South China Sea, Germany and the Philippines have decided to improve defence ties and increase cooperative activities. German Defense Secretary Boris Pistorius and Defense Secretary Gilberto Teodoro Jr. signed an "arrangement concerning defence cooperation," committing to extending collaboration to cybersecurity, defence weaponry and logistics, and UN peacekeeping missions.

Beyond its longstanding partnership with the United States, the cooperation agreement expands the Philippines' expanding number of defence agreements. Manila is anticipated to sign a similar agreement with Canada shortly after agreeing in April 2025 to increase military cooperation with New Zealand.

French President Emmanuel Macron's visit to Vietnam

During their meeting on the sidelines of the 3rd UN Ocean Conference (UNOC3) in Nice, Prime Minister Phạm Minh Chính and French President Emmanuel Macron reaffirmed their commitment to strengthening bilateral ties. Chính highlighted the momentum gained in the Vietnam-France comprehensive strategic partnership following Macron's recent official visit. He praised France's achievements under Macron's leadership, including the successful organization of UNOC3. Chính emphasized the importance of the "three diversifications" principle—diversifying products, supply chains, and markets—in bolstering economic, trade, and investment cooperation amid global economic uncertainty. He called for closer collaboration to boost bilateral trade and improve market access for both countries. The two leaders underscored the need to fully implement the intergovernmental agreement on scientific and technological cooperation, aiming to establish science and technology as a new pillar of bilateral engagement. They also agreed on the importance of

enhancing maritime cooperation, with a focus on maritime industry development, maritime security, coastal protection, and marine environmental preservation. The diplomatic outreach reflects Paris' ambition to assert its influence as a key Indo-Pacific actor amid the region's shifting geopolitical dynamics.

The China-Pacific Island Countries Foreign Ministers' Meeting

Senior officials from 11 Pacific Island nations, including Niue's Prime Minister Dalton Tagelagi, Kiribati's President Taneti Maamau, and a representative from the Pacific Islands Forum Secretariat, visited China on May 28–29 for the third China-Pacific Island Countries (PICs) Foreign Ministers' Meeting. While largely symbolic, the gathering reaffirmed Beijing's strategic interest in the Pacific, particularly in climate change, maritime security, and infrastructure development. China used the meeting to reinforce its presence and position itself as a viable alternative to the United States in the region. The participation of countries such as Kiribati and the Cook Islands—both of which have switched diplomatic recognition to Beijing—signals deeper Chinese engagement. However, some Pacific nations remain cautious, wary of overdependence on a single external power. A joint statement emphasized commitments to economic development, trade, democratic values, international law, and climate cooperation. Notably, this meeting

featured a significant shift in tone on Taiwan. Unlike past meetings, the statement declared that "all parties" recognize Taiwan as "an inalienable part of China's territory," aligning with Beijing's core interests. Amid a shifting international order, China is working to reshape its image and draw attention to actions it views as inconsistent with Pacific priorities—using forums like this to advance its narrative.

China presses Armed Groups in Myanmar to Cease Offensives

To stabilize regions critical to its Belt and Road Initiative (BRI)—notably areas near key infrastructure like the Kyaukphyu port and the Bhamo trade corridor—China is pressuring major ethnic armed groups such as the Arakan Army (AA) and Kachin Independence Army (KIA) to halt their military campaigns in Myanmar. This approach reflects Beijing's continued influence over non-state actors in northern Myanmar. It mirrors past efforts where China secured ceasefires with the MNDA and TNLA, also part of the Three Brotherhood Alliance, using tactics such as border closures, cutting off supplies, and even detaining individuals. Rather than offering direct military support, China favors maintaining stability under the junta to safeguard its strategic interests. This preference stems from Beijing's desire to shape Myanmar's political and economic trajectory and its view that the opposition National Unity Government (NUG) is aligned with Western powers.