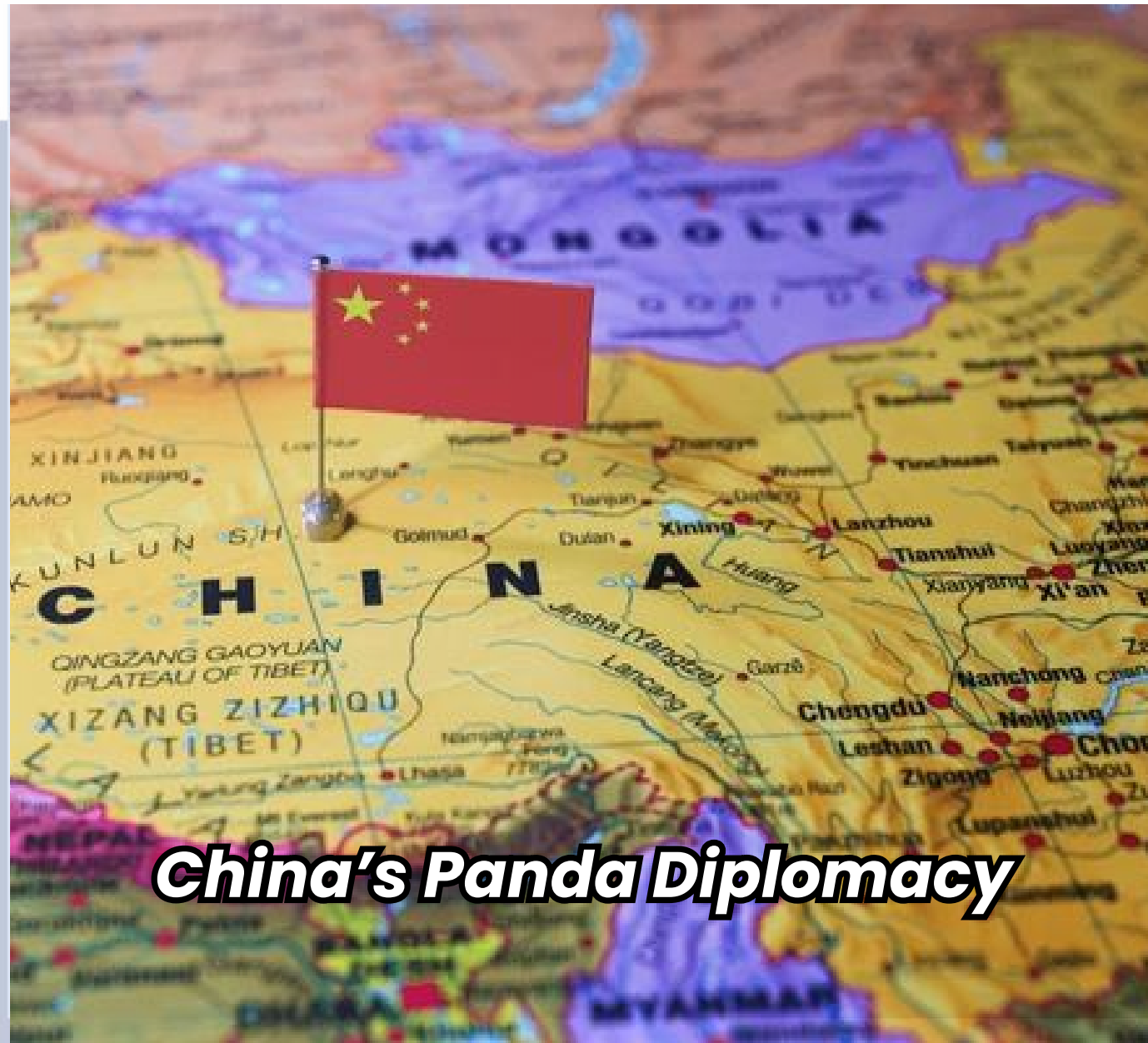




# ANKASAM

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ISSUE: 2025/1



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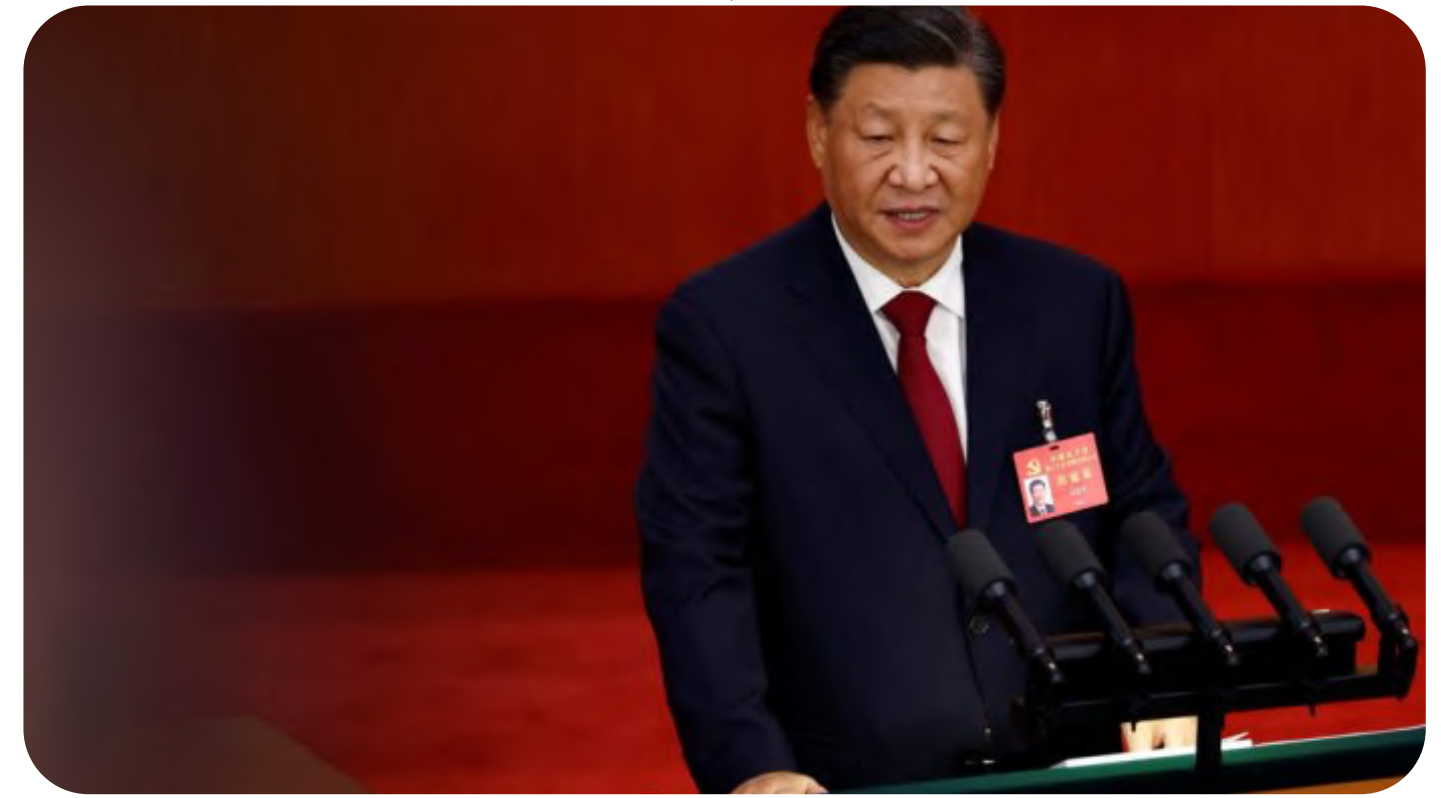
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## ANKASAM ANALYSIS

# Xi Jinping's Visit to Macao



Simay GÜZEL

In December 2024, President Xi Jinping, on his visit to commemorate the 25th anniversary of Macao's return to China, advocated for a thorough redevelopment of the city. Xi underlined the imperative for Macao's economy to transition to new industries and asserted that concrete initiatives must be implemented to modernize the city's economic and political framework.[1] Xi's remarks may be interpreted as components of a cohesive plan designed to enhance Macao's standing in the global economy while rendering the city's economic framework more sustainable.

Macao is recognized as a global hub for tourism and entertainment. The city generates about 22 billion dollars in annual revenue, almost 80% of which is derived from the entertainment sector, forming the local government's tax income.[2] This circumstance has rendered the city significantly reliant on the entertainment industry for financial support. Following Xi Jinping's ascension to the presidency in 2012, there was a notable decline in revenue within the entertainment sector. In this context, Xi's anti-corruption initiative is regarded as a vital remedy to this problem. In 2012, revenues in the entertainment sector were approximately 38 billion dollars; however, this figure has dramatically decreased by 2023. In this context, Xi asserted that Macao's economic model, which relies exclusively on revenue from the entertainment sector, is unsustainable and that the city should transition to a more diversified industry.[3]

Xi's appeal to Macao corresponds with China's broader economic plans. The term "medium-level economic diversification" signifies the aim of transforming Macao's economic framework from exclusive reliance on the entertainment sector to a more varied economic base. Xi underlined the imperative for Macao to cultivate new industries with global competitiveness during this process. The newly acknowledged sectors include tourism, banking, technology, and renewable energy.[4] Xi's remarks may be seen crucial for Macao's integration into the Greater Bay Area (GBA) initiative. The GBA is an extensive regional collaboration initiative involving Guangdong, Hong Kong, and Macao, designed to enhance Macao's engagement in the financial, technological and commercial sectors.

The relations of Macao, especially with Lusophone nations, play a crucial role in China's foreign policy and economic strategy. Macao seeks to enhance its position as a bridge between China and Portuguese-speaking nations. Xi's proposals during his visit seek to enhance the city's diplomatic function. Macao's significance and potential in this area could function as a mechanism for enhancing China's worldwide influence.[5] Platforms such as "Forum Macao" are crucial in enhancing trade and fostering cultural and diplomatic contacts. Xi's appeals could be interpreted as an endeavor to elevate Macao's standing in the international arena.

Xi's remarks conform to the economic diversification of Macao and the reconfiguration of the tourism sector.[6] Given the current downturn in Macao's tourism industry, it has been underlined that the city must take steps to build a more sustainable economy. In this context, Xi's proposals for Macao present an opportunity to diminish the city's reliance on tourism and to cultivate new industries that yield greater added value. Generating supplementary employment opportunities in the city would foster economic development and enhance the living conditions of the local populace. Likewise, Xi's aim is to reduce reliance on income from the entertainment industry while simultaneously enhancing the city's social infrastructure. Xi's focus on economic diversification seeks to mitigate these challenges.

Xi's appeal of economic diversification necessitates the reconfiguration of the city's current economic structure. This reform process necessitates strong collaboration between the local administration and the Chinese government. This appeal serves to strengthen the city's political unity with Beijing. The designation of Sam Hou Fai as Macao's new leader will reinforce the city's political connections with China. Under Sam Hou Fai's leadership, Macao anticipates concrete steps for economic diversification.

Xi's aspirations to elevate Macao beyond a mere entertainment hub might enhance the city's status as a crucial international business and financial center. Nonetheless, the impact of this process on the local populace, the efficacy of economic diversification, and the local government's reaction to these transformations will be crucial areas of research in the future.

Xi's visit to Macao underlined not just economic and political issues but also cultural elements. Xi's participation in social events, such as wine tasting, may be seen as a part of China's cultural strategy. These social events aim to enhance diplomatic relations and maintain Macao's cultural identity. Xi's participation in these social events not only enhances cultural and diplomatic relations but it also symbolizes China's efforts to establish a stronger cultural presence.

The economic, cultural, and political strategies of China toward Macao are crucial steps that will shape the city's future. The appeal for economic diversification in Macao aligns with China's worldwide economic ambitions. This process, which encompasses economic, social, and political development, seeks to enhance the region's worldwide standing by liberating Macao from its entertainment sector-dependent economic paradigm. Xi's remarks will promote the development of enhanced diplomatic and commercial relations with Macao, in accordance with China's foreign policy aims. Macao will become a hub that enhances China's role in international relations, transitioning to a more sustainable economic framework through initiatives like the Greater Bay Area and under Xi's governance.

Under Sam Hou Fai's leadership, concrete initiatives for economic diversification are expected in Macao.

[1] "Xi stresses adherence to 'one country, Two systems' as Macao SAR celebrates silver jubilee", Xinhua, [http://en.cppcc.gov.cn/2024-12/21/c\\_1058130.htm](http://en.cppcc.gov.cn/2024-12/21/c_1058130.htm), (Date Accession: 25.12.2024).

[2] Hawkins, A., "Xi Jinping urges Macau to diversify economy away from casinos", The Guardian, <https://www.theguardian.com/world/2024/dec/20/xi-jinping-urges-macau-to-diversify-economy-away-from-casinos>, (Date Accession: 25.12.2024).

[3] Zhu, H., "Macau and Hong Kong: Convergence or Divergence? An Analysis of the 2023 Macau National Security Law", SSRN, <https://ssrn.com/abstract=4600986>, (Date Accession: 25.12.2024).

[4] Ibid.

[5] Mandelbaum, H. G., "The Lusophone Bridge: Macau's Role in China-Brazil Relations.", Janus Journal, (Date Accession: 25.12.2024).

[6] Wong, C., "Macau's Gambling-Tourism-Economic Development.", Journal of Infrastructure, Policy and Development, 8(5), <https://doi.org/10.24294/jipd.v8i5.4229>, (Date Accession: 25.12.2024).



## ANKASAM ANALYSIS

# Canada's Political Stalemate: Trudeau's Leadership Under Threat



Ayşe Azra GILAVCI

Canadian Prime Minister Justin Trudeau faces increasing challenges as his power government weakens and it is likely that his party will lose power early next year. The ruling Liberal Party, which has been in office for more than nine years, is facing increasing voter dissatisfaction, economic difficulties and intra-party disagreements. While this situation has led to intense debates within the party, there have been calls Trueau to step aside and make way for a new leadership.

Liberals believe they are at a turning point. Voter fatigue, rising inflation and an escalating housing crisis have eroded public trust. Polls predict a major defeat for the Liberals in the next election with the right-leaning Conservative Party poised for a decisive victory.

Trudeau's leadership has also become a point of criticism within his own party. According to Canadian Broadcasting Corporation (CBC), over 50 Liberal Members of Parliament from the party's traditional stronghold Ontario convened over the weekend to express their concerns. Chandra Arya, once a loyal ally of Trudeau, stated, "There is no alternative but for leadership to change."

Finance Minister Chrystia Freeland abruptly resigned on December 23, less than a month before United States (US) administration was set to take office. Freeland, who chaired a special cabinet committee in Canada-US relations, played a key role in managing relations with the US coordinating a unified response to impending trade threats with Canada's 10 provinces.[1] Her resignation, prompted by Treduau's offer of a lower cabinet position, has left the government in turmoil at a critical juncture. Freeland had raised concern about Trudeau's spending plans, warning that they could jeopardize Canada's ability to withstand the economic damage from tariffs threatened by US President-elect Donald Trump. Ontario Premier Doug Ford, underscored the seriousness of the situation, stating, "As a country, we need to how strength and unity, but right now, there's chaos in Ottawa."

The resignation caught provincial leaders off guard. Alberta Premier Danielle Smith, a vocal critic of Trudeau, revealed that premiers learned of Freeland's departure in the middle of a conference call intended to discuss the US trade threats. "We need leadership, and this is not leadership," Smith said, highlighting the growing perception of dysfunction at the federal level. Freeland's departure has intensified calls for Trudeau to step down. If he resigns, the Liberal Party will face the task of selecting a successor. Potential candidates include former Finance Minister Freeland, Foreign Affairs Minister Mélanie Joly, Innovation Minister François-Philippe Champagne, and former Bank of Canada Governor Mark Carney. However, it remains uncertain whether any candidate can restore public confidence in the party.



So far, Trudeau has shown no immediate signs of stepping down. Reports suggest he plans to spend the holiday season reflecting on his political future. His options include staying in office until a potential defeat in the confidence vote scheduled for March, resigning in January to allow for an interim leader, or proroguing Parliament to buy time for leadership renewal.

The opposition Conservatives, emboldened by Trudeau's declining approval ratings, have intensified their criticism. They accuse the Liberals of fiscal mismanagement and warn of economic instability if Liberal governance continues. In response, the Liberals have aired campaign ads portraying the Conservatives as advocates of austerity. However, Trudeau himself has been notably absent from these efforts.

Meanwhile, opposition parties accuse the Trudeau government of failing to respond effectively to U.S. trade threats and are calling for elections to establish a stable government capable of addressing the forthcoming economic challenges.[2]

Once a symbol of innovative values and global admiration, Trudeau's leadership now teeters on the edge. Freeland's resignation has exposed cracks in the government's ability to address urgent domestic and international challenges, including potential U.S. tariffs. The Liberal Party's struggle to maintain relevance amid economic difficulties, voter dissatisfaction, and internal divisions underscores the precarious nature of political longevity.

As Canada experiences one of its most politically and economically unstable periods in recent history, Prime Minister Justin Trudeau and the ruling Liberal Party stand at a critical crossroads. After more than nine years in power, the party, once seen as dynamic and forward-thinking, now appears mired in voter fatigue, internal discord, and a growing sense of disconnect from the struggles of ordinary Canadians. From soaring housing costs to inflationary pressures, mounting challenges have left the Liberal government vulnerable to both public criticism and political opposition. Trudeau's reluctance to step down immediately has put the Liberal Party in a perilous position. Should he choose to remain in office, the party is likely to face an almost certain defeat in the no-confidence vote expected in March. Such an outcome would force the Liberals into an election, unprepared and politically weakened.

Alternatively, Trudeau could step aside in January, allowing the party to appoint an interim leader and begin a renewal process. However, even this path is fraught with challenges, as the party struggles to rally around a successor capable of reinvigorating its base and regaining public trust. Candidates like Mélanie Joly, François-Philippe Champagne, and Mark Carney may offer fresh perspectives, but whether they can restore the party's standing in the eyes of Canadians remains an open question.

Whether Trudeau steps back or stays to fight another day, his government's ability to address these challenges effectively will define this period in Canadian politics and ultimately shape Justin Trudeau's legacy.

[1] "Canada government adrift after finance minister resigns, Trump tariffs loom", Reuters, <https://www.reuters.com/world/americas/canada-government-adrift-after-finance-minister-resigns-trump-tariffs-loom-2024-12-17/>, (Date Accession: 27.12.2024).

[2] "Canada's Trudeau faces increasing pressure from his own MPs to quit", Reuters, <https://www.reuters.com/world/americas/canadas-trudeau-faces-increasing-pressure-his-own-mps-quit-2024-12-23/>, (Date Accession: 27.12.2024).



## ANKASAM ANALYSIS

# Immigration Debates and Political Dynamics in Chile

Ali Caner İNCESU

Migration and immigrant rights stand out as a field of both social and political crisis in Chile, as in many countries today. President Gabriel Boric's plan to grant permanent residency to approximately 182,000 undocumented immigrants has reignited political and social polarization in the country. This initiative has received different criticisms from both the right and the left, while also garnering support from the business world and human rights organizations.

The Boric administration's plan shows that immigration policies have transcended being a social issue and have become the center of political competition. This situation once again highlights that the issue of immigration is not only a humanitarian matter but also closely related to national identity, security, and economic interests.

The plan, which the government calls "limited regulation," covers immigrants who entered Chile illegally and participated in the biometric registration process between June 2023 and February 2024. The plan aims to register the identification details of these migrants, provide them with a "Rol Único Tributario (RUT)" tax number, and grant long-term legal residency to those who meet certain conditions. Among these conditions, there is a requirement to have employment or family ties, while individuals with a criminal record have been excluded from this program.

The immigration reform plan has been criticized from different perspectives by both the right and the left. Groups on the right, such as the Independent Democratic Union (UDI), argue that this plan weakens border security and encourages illegal immigration. Senator Luz Ebersperger's statement that the plan is "unpresentable" and her accusation that the government is "offering incentives to illegal immigrants" demonstrate how firm the right is taking a stance on this issue.[1] These criticisms also suggest that the right wing considers immigration policies solely within the framework of security, ignoring the social and economic dimensions.

On the other hand, different voices are being raised within Boric's own coalition. Raúl Soto, a member of the Democracy Party (PPD), stated that during a period of rising crime rates, the government should focus on border security and that such a blanket amnesty measure is not politically feasible.[2] These criticisms reveal that the plan is not seen as an ideal solution from either the right or the left perspective. Additionally, this situation also points to the difficulties the Boric administration faces in establishing a common immigration policy within the coalition.



The plan has received support, especially from the business world and the agricultural sector. The business world argues that granting legal work permits will regulate the immigrant workforce and thereby reduce the informal economy. From a human rights perspective, Human Rights Watch (HRW) Latin America Director Juanita Goebertus has described the plan as “very positive.”[3] Goebertus, arguing that legalizing immigrants and allowing them to work in official jobs reduces crime rates, cited Colombia’s experience of regularizing 2.5 million Venezuelan migrants as an example.[4]

In Chile, immigration debates have become a political tool in the context of the upcoming 2025 general elections. In addition to the traditional right-wing coalition Chile Vamos, the Republican Party (PR), which has adopted a harsher anti-immigrant rhetoric, has increased its votes in recent years. However, as the influence of PR Leader José Antonio Kast wanes, new figures like Johannes Kaiser have begun to rise in the far-right political scene. Kaiser’s self-identification as a “paleolibertarian” and his effective use of social media are creating a new polarization on the right wing. This situation indicates that the issue of immigration will continue to be at the center of political competition.

According to a research survey, Evelyn Matthei, one of the traditional leaders of the right, ranks first with 26.4%, while former President Michelle Bachelet comes in second with 13.1%. Kaiser’s 8.1% vote share in fourth place also indicates a search for a new balance within the right.[5] In this context, it is clear that migration policies are not only a humanitarian issue but also used as a tool for political mobilization. This situation reveals how voter behavior responds to migration-based discussions and how parties strategically use this issue to strengthen their political positions.

The bureaucratic setbacks experienced during the implementation of the plan have caused confusion among the public. The chaos that occurred on December 16, 2024, at the Víctor Jara stadium in Santiago resulted in thousands of migrants rushing to the biometric registration process due to misinformation. This situation can be perceived as an indication of the government’s shortcomings in promoting and implementing its plan. The inconsistent statements from government officials have created distrust among both immigrants and the public. Moreover, such communication issues indicate that the Boric administration is facing a serious test not only regarding this specific plan but also in terms of the general acceptability and credibility of its policies among the public.

Chile’s immigration regulation plan can be considered an initiative attempting to balance human rights, economic integration, and political strategies. However, this plan faces many challenges due to conflicts in domestic politics and bureaucratic shortcomings. The Boric administration needs to create a balanced policy that will gain public trust while defending immigrant rights. Achieving this balance requires a comprehensive approach that not only ensures the social integration of immigrants but also addresses public concerns. Otherwise, shortcomings in the implementation of the plan and communication issues could further weaken public confidence in the government’s overall management capacity, which could undermine the Boric administration’s position in the upcoming elections.

This process can serve as an example not only for Chile but also for other countries in Latin America. There is much to learn from the experiences of countries like Colombia, but a more comprehensive vision needs to be developed when addressing the economic and social impacts of migration. In Chile, immigration debates, while remaining a political battleground in the short term, are thought to continue being a critical issue that will shape the country’s social and economic fabric in the long term.

[1] María Luisa Cisternas, “Regularización Acotada?: Anuncio del Gobierno Sobre Migrantes Empadronados Genera Resquemor en la Oposición”, Emol.com, [www.emol.com/noticias/Nacional/2024/12/12/1151173/regularizacion-acotada-anuncio-cordero-alarmas.html](http://www.emol.com/noticias/Nacional/2024/12/12/1151173/regularizacion-acotada-anuncio-cordero-alarmas.html), (Accessed Date: 12.22.2024).

[2] “Raúl Soto Hizo Llamado a ‘Dejar de Romantizar la Migración’”, ChileVision, [www.chilevision.cl/contigo-en-la-manana/politica/raul-soto-hizo-llamado-a-dejar-de-romantizar-la-migracion](http://www.chilevision.cl/contigo-en-la-manana/politica/raul-soto-hizo-llamado-a-dejar-de-romantizar-la-migracion), (Accessed Date: 12.22.2024).

[3] Maolis Castro, “Juanita Goebertus, de Human Rights Watch: ‘Expulsar Migrantes No Derrota el Crimen Organizado, lo Fortalece’”, El País, [www.elpais.com/chile/2024-12-17/juanita-goebertus-de-human-rights-watch-expulsar-migrantes-no-derrota-el-crimen-organizado-lo-fortalece.html](http://www.elpais.com/chile/2024-12-17/juanita-goebertus-de-human-rights-watch-expulsar-migrantes-no-derrota-el-crimen-organizado-lo-fortalece.html), (Accessed Date: 12.22.2024).

[4] Ibid.

[5] Patricio Mora, “Evelyn Matthei Lidera Carrera Presidencial y Bachelet Sube a la Segunda Posición Tras Superar a Kast, Según Pulso Ciudadano”, El Centro, [www.diarioelcentro.cl/2024/12/02/evelyn-matthei-lidera-carrera-presidencial-y-bachelet-sube-a-la-segunda-posicion-tras-superar-a-kast-segun-pulso-ciudadano/](http://www.diarioelcentro.cl/2024/12/02/evelyn-matthei-lidera-carrera-presidencial-y-bachelet-sube-a-la-segunda-posicion-tras-superar-a-kast-segun-pulso-ciudadano/), (Accessed Date: 12.22.2024).



## ANKASAM ANALYSIS

# Russia’s Military Modernization: An Arms Race Against the West



Ergün MAMEDOV

The Russia-Ukraine War, which began on February 24, 2022, has evolved into a struggle reshaping Russia’s military power and strategic approach as it approaches its third year. By 2025, marking its third anniversary, this war has become not only a battlefield challenge for Russia but also an effort to transform its military capacity to respond to modern threats and strengthen its position of strategic deterrence against the NATO. Record increases in defense budgets, nuclear capability modernization, and attempts to expand regional military presence indicate Moscow’s efforts to shift the balance of power in its favor both on the battlefield and in the international arena.

However, economic sanctions, personnel shortages, and logistical challenges have constrained this transformation process, making Russia’s pursuit of its strategic objectives more complex. A report published by the French Institute of International Relations (IFRI) provides a detailed analysis of these transformations, offering a broad perspective on Russia’s tactical adjustments necessitated by the war and its long-term deterrence strategies.

In November 2024, IFRI released a report by Yury Fedorov titled “The Personnel Structure of the Russian Army Two and a Half Years into the War in Ukraine”, which comprehensively analyzed the changes in Russia’s military structure, modernization efforts, and challenges encountered during the Ukraine War. Notably, Russia’s military reforms have not been limited to sustaining operations in Ukraine but have also aimed at enhancing its strategic deterrence against NATO.[1]

In the first year of the war, Russia adopted a military structure suited for short-term conflicts; however, as the war prolonged, it reorganized this structure to sustain long-term and large-scale conflict. The report highlights that the total number of military personnel is planned to increase by 50%, reaching 1.5 million, with motorized rifle and artillery brigades being transformed into larger military units. Additionally, strategic measures such as establishing a new corps along the Finnish border have been implemented. However, as the report indicates, structural issues such as personnel losses, a shortage of officers, and insufficient training durations have complicated the realization of these goals. Despite recruiting 30,000 new soldiers monthly, this number has proven insufficient to offset the losses incurred during the war. This situation has impacted not only Russia’s efforts to maintain effectiveness on the battlefield but also its position in the ongoing strategic rivalry with NATO.

Russia's military modernization efforts have not been limited to conventional military power but have also included a focus on enhancing its nuclear capabilities. As of 2024, Russia has established a significant deterrent capacity against NATO and the United States with 1,710 deployed strategic nuclear warheads and between 1,000 and 2,000 non-strategic warheads. The SS-X-29 (Sarmat) and SS-27 Mod 2 (Yars) intercontinental ballistic missiles, along with Dolgorukiy-class ballistic missile submarines, form part of a strategy aimed at overcoming U.S. missile defense systems and ensuring retaliation capabilities after a first strike. Furthermore, the development of innovative technologies such as hypersonic glide vehicles and nuclear-powered cruise missiles has increased the flexibility of Russia's nuclear doctrine. This doctrine extends beyond responding to a nuclear attack, encompassing operations against regional threats like Belarus and Ukraine. These modernization programs have profoundly affected both regional and global security dynamics.[2]

In 2024, Russia's defense budget increased by 70%, reaching \$157 billion, with projections indicating a further 25% increase by 2025. This growth underscores the significant reliance of Russia's economic development on its defense industry. In the first half of 2023, the defense sector contributed 40% to the country's economic growth, becoming the highest-performing sector. However, profitability issues in the defense industry have emerged due to sanctions and high interest rates exceeding 20%. It is anticipated that many defense companies will be unable to sustain operations without government support. These economic challenges have constrained Russia's efforts to expand its defense industry but have not halted these endeavors. [3]

Despite economic challenges, Russia has supported its strategy of increasing military capacity with efforts to expand its regional influence. According to the TASS agency, known for its close ties to the Russian government, the most notable military innovations of 2024 include the medium-range ballistic missile "Oreshnik" and the high-powered aerial bomb FAB-3000. The first public mention of Oreshnik occurred on November 21, 2024, when the missile reached a military factory in Ukraine's Dnipro region. Although this test launch did not involve a warhead, it heightened Western concerns about the missile's perceived "unstoppable" nature. President Vladimir Putin's call for a "technological duel" with NATO further demonstrated Russia's confidence in the effectiveness of these systems. The FAB-3000, equipped with precision modules, has been deployed for operations targeting strategic points such as command centers and drone control stations. For instance, one attack reportedly neutralized 50 drone operators.[4]

These comprehensive military modernization efforts by Russia have not only shaped the course of the war in Ukraine but also played a decisive role in its strategic competition with NATO. Russia's initiatives to enhance military deterrence at both regional and global levels have prompted NATO to reassess its defense policies and strategic balances. While NATO aims to increase its defense capacity to counter these new threats, the EU has taken steps to strengthen its defense industry. In 2023, the EU enacted the "Ammunition Production Support Act" to meet Ukraine's wartime needs; however, this initiative was not fully successful in 2024. The EU's plan to reach an annual production capacity of 2 million munitions by 2025 indicates that regional military strategies are increasingly oriented toward long-term objectives. Meanwhile, Ukraine invested €7 billion in its defense industry in 2023, aiming to triple this budget by 2025. These initiatives have been considered critical steps in countering Russia's growing military capacity.

Within the framework of the anticipated conciliatory policy of the Trump administration, Russia is projected to elevate its military development to a new phase. This policy approach, offering a less confrontational ground compared to the Biden era, could facilitate Moscow's transfer of experiences gained from the Ukraine War to the Asia-Pacific region. In this context, Russia is expected to further promote new weapons programs based on advanced capabilities such as hypersonic missile technology, unmanned aerial vehicles, and advanced air defense systems. Increased defense cooperation with regional actors like China and India could support the proliferation of these weapon systems. Particularly in the Asia-Pacific, Russia is likely to continue developing nuclear submarines and long-range missile platforms, intensifying the competition for naval and aerial supremacy in the region. This shift could prompt NATO to redirect its current focus from Europe to the Asia-Pacific, paving the way for a global strategic transformation.

Nevertheless, Russia's reorientation of its defense industry toward an Asia-Pacific-centered balance of power could accelerate the regional arms race. Moscow is expected to enhance technology sharing with Beijing and deepen new defense partnerships within the frameworks of the Shanghai Cooperation Organization (SCO) or BRICS. In this process, efforts to make Russia's military-industrial complex a more influential actor in the global market are anticipated. However, these initiatives are expected to cause concern in the West, compelling NATO countries to allocate both economic and military resources to the Asia-Pacific. Russia's strategic moves hold the potential not only to complicate the race for military superiority but also to intensify U.S.-China competition. In this regard, it is likely that Moscow will leverage the anticipated conciliatory policy to reshape its defense infrastructure within a broader strategic framework.

[1] Yury Fedorov, Russian Military Manpower After Two and a Half Years of War in Ukraine, IFRI Studies, no. 48, November 2024, [https://www.ifri.org/sites/default/files/2024-11/ifri\\_fedorov\\_russian\\_military\\_manpower\\_rer48\\_nov2024.pdf](https://www.ifri.org/sites/default/files/2024-11/ifri_fedorov_russian_military_manpower_rer48_nov2024.pdf), (Access Date: 25.12.2024).

[2] "Report to Congress on Russia's Nuclear Weapons", USNI News, <https://news.usni.org/2024/12/04/report-to-congress-on-russias-nuclear-weapons-2>, (Access Date: 25.12.2024).

[3] John T Psaropoulos, "Russia races ahead of NATO in weapons production for Ukraine war: SIPRI", AlJazeera, <https://www.aljazeera.com/news/2024/12/2/russia-races-ahead-of-nato-in-weapons-production-for-ukraine-war-sipri>, (Access Date: 25.12.2024).

[4] Anton Valagin, "TASS nazval samyye yarkiye voyennyye prem'yery 2024 goda", Russiskaya Gazeta, <https://rg.ru/2024/12/25/tass-nazval-samye-iarkie-voennye-premery-2024-goda.html>, (Access Date: 25.12.2024).





## ANKASAM ANALYSIS

# The TikTok Crisis and the US-China Tech Rivalry



Ayşe Azra GILAVCI

The United States' (US) efforts to impose a ban on the Chinese social media application TikTok are generating significant political, legal, and international debate. At the centre of this issue lies the intersection of US-China geopolitical tensions, domestic debates over national security and freedom of expression, and the evolving landscape of social media governance. With the recent intervention in the Supreme Court hearings by Donald Trump, who is set to take office in January 2025, the matter has taken on a heightened political dimension, underscoring the complexity of the TikTok ban and its implications for US foreign and domestic policies.

The law in question mandates TikTok, a popular social media platform owned by the Chinese company ByteDance, to either divest or completely shut down its operations in the US by 19 January 2025. The US Government contends that TikTok constitutes a national security threat, citing its capacity to collect sensitive data from millions of American users and its potential use as a tool for Chinese influence campaigns. Concerns are heightened by ByteDance's headquarters in China and alleged ties to the Chinese Government, despite the company's assertions that its US operations are independent.[1]

The controversy surrounding the ban raises pivotal legal questions, particularly in relation to the First Amendment. TikTok and its supporters argue that banning the platform represents an unprecedented infringement on Americans' free speech rights, given its role as a critical medium for political expression, cultural exchange, and commercial activity. The Supreme Court, which is set to hear arguments on 10 January, faces a critical decision that will determine TikTok's future in the US and may set a precedent for balancing national security concerns against constitutional freedoms.

The TikTok ban must also be understood within the broader context of escalating US-China tensions. The US has identified China as its primary strategic competitor, with technological dominance and data security emerging as central issues in this rivalry. TikTok, with its sophisticated algorithm and vast user base, stands as a potent symbol of China's expanding influence in the digital realm. Washington has consistently criticised Beijing for leveraging technology for strategic purposes. The move to ban TikTok reflects a wider US strategy to decouple critical technology sectors from China, aiming to minimise reliance on Chinese firms and prevent potential security vulnerabilities. However, Beijing perceives such actions as part of a concerted effort to stymie its rise, adding another layer of complexity to the already fraught US-China relationship.

The TikTok controversy has also underscored the challenges of regulating global technology companies in an age of increasing digital interdependence. ByteDance's multinational ownership structure complicates the narrative, raising questions about whether the platform is genuinely a tool of the Chinese state or simply a victim of geopolitical scapegoating. Donald Trump's Supreme Court statement opposing the immediate implementation of the TikTok ban exemplifies his distinctive approach to both foreign and domestic policy. Set to assume office on 20 January, Trump has positioned himself as a central figure in resolving the TikTok crisis, leveraging his deal-making credentials and extensive familiarity with social media.

This intervention aligns with Trump's broader strategy of capitalising on contemporary controversies to assert his political dominance. By engaging in the TikTok case, Trump has not only distanced himself from the Biden administration's handling of the issue but also reaffirmed his commitment to safeguarding Americans' freedom of expression while addressing national security concerns.

TikTok's legal arguments rest on the First Amendment, highlighting the platform's role as a forum for diverse expression. Opponents of the ban contend that it would deprive millions of Americans of access to a unique medium for political discourse, cultural exchange, and economic opportunity. They argue that targeting TikTok establishes a dangerous precedent, enabling the government to restrict speech based on speculative threats.[2]

The US Government has defended the ban as a necessary measure to safeguard national security, citing concerns over data collection risks and the potential manipulation of TikTok's algorithm. Proponents of the ban assert that permitting a Chinese-controlled platform to operate without oversight poses an unacceptable risk, particularly against the backdrop of intensifying US-China strategic competition.

The TikTok ban serves as a potent symbol of the broader divergence between the two superpowers. If enforced, the ban risks escalating tensions, potentially provoking retaliatory measures from Beijing and further complicating diplomatic efforts. It also underscores the growing centrality of technology in national security and foreign policy, as digital platforms increasingly become critical battlegrounds in the US-China rivalry. Domestically, the case has revealed deep divisions within the US political landscape. While the law mandating the sale or shutdown of TikTok was passed with bipartisan support, Trump's intervention and the Supreme Court's involvement have turned the issue into a contentious political flashpoint. The outcome of the case has the potential to shape future debates on state authority in the digital era, corporate responsibility, and individual rights.

The TikTok ban exemplifies the confluence of legal, political, and geopolitical challenges inherent in governing a digitally interconnected world. As the Constitutional Court prepares to hear arguments, the stakes for all involved parties are exceptionally high. This case will not only decide the future of a widely used social media platform but also establish critical precedents for how the United States navigates the interplay between national security, free speech, and global competition in the 21st century.

Whether resolved through the courts, Congress, or the White House, the outcome of this dispute will have enduring implications for US-China relations, the future of social media governance, and the delicate balance between security and freedom in the digital age.

[1]"Trump Urges Supreme Court to Pause TikTok Ban", The New York Times, <https://www.nytimes.com/2024/12/27/us/politics/tiktok-ban-supreme-court-trump.html>, (Retrieved: 28.12.2024).

[2] Ibid.



## ANKASAM ANALYSIS

# Trump's Panama Canal Plan

Ali Caner İNCESU

The Panama Canal, as one of the most important arteries of international trade, plays a strategic role in global maritime transportation. Constructed by the United States (US) and transferred to Panama in 1999, this transit point has been managed under Panama's sovereignty for years. However, the threat by the newly elected U.S. President Donald Trump to retake control of the canal has strained relations between Panama and the U.S., sparking an international debate.

The Panama Canal provides a maritime passage that connects the Atlantic and Pacific Oceans, facilitating 5% of world trade.[1] In 1977, agreements signed between U.S. President Jimmy Carter and Panamanian leader Omar Torrijos transferred control of the canal to Panama in 1999, thereby recognizing Panama's sovereignty rights on an international level.[2] Today, the United States is one of the main users of the channel, while China holds a significant share with a 21% trade volume.[3]

From the perspective of U.S. geopolitical interests, the Panama Canal plays a critical role in balancing China's increasing influence and maintaining strategic superiority in Latin America. In this context, Trump's recent statements can be interpreted as an effort to restore U.S. regional dominance.

Trump, demanding the return of control of the Panama Canal to the U.S., described the transit fees Panama charges U.S. ships as "excessive" and "unfair," and also expressed concern over China's increasing influence over the canal.[4] Saying "Panama is robbing us," Trump intensified his criticisms, stating that they would take back control of the canal if the principles were not applied correctly in a moral and legal manner.[5]

In response to these statements, Panama's President José Raúl Mulino emphasized that the canal is a symbol of Panama's independence and that sovereignty is non-negotiable, firmly rejecting the issue by stating, "The Panama Canal belongs to Panamanians and will remain so." [6] These mutual statements have created a diplomatic tension between the two countries and indicated that Trump's populist rhetoric in the region poses challenges from an international law perspective.

The validity of Trump's request under international law is debatable. The 1977 agreements have regulated the transfer of the canal in a permanent and irreversible manner. Any claim by the US over the canal would be a difficult endeavor to accept by the international community. Additionally, during a period when Panama is caught between the US and China, the neutrality and security of the canal have become critical issues.

The statement in the 1977 Torrijos-Carter Treaty-related Memorandum of Understanding, "The right of the U.S. to take action to ensure the Canal remains open, secure, and accessible shall not be construed as an intention to intervene in Panama's internal affairs," provides a restrictive framework for intervention. However, the broad interpretation by the U.S. of a situation threatening the Canal's security leaves open the potential to use the right to intervene as a political maneuver.[7]

It is also a matter of curiosity how Kevin Marino Cabrera, appointed as the U.S. diplomatic representative in the region, will manage relations with Panama in the face of Trump's harsh rhetoric. Cabrera, while preparing to act within the framework of the "America First" principles, this situation could create a long-term distrust between Panama and the USA.

The US-China rivalry has been concretely manifested in the Trump administration's harsh statements regarding the Panama Canal. These statements serve as a warning against China's increasing influence in Latin America. China developed diplomatic relations with Panama in 2017, after severing ties with Taiwan, and this was criticized by the Trump administration in the United States. Although Panamanian officials have firmly denied the claim that Trump increased China's influence over the canal, these statements clearly reflect the echoes of the US-China rivalry over the canal.

The Trump administration's rhetoric regarding the Panama Canal has not only targeted China but is also seen as a reflection of the U.S.'s oppressive stance towards its allies. Threats to the canal's independence could negatively impact global trade volume and cause changes in maritime shipping routes. Especially considering the competition between the US and China, discussions over the canal could create uncertainties in the international trade system.

The United States' repressive stance towards Panama could create a ripple effect on the diplomatic balances in the region. For the people of Panama, the independence of the Canal is seen as a symbol of national identity. Trump's statements could lead to a strong nationalist reaction among the Panamanian people, causing deeper rifts in relations with the United States. Additionally, this situation could lead to a decrease in U.S. influence across Latin America and prompt regional countries to seek alternative collaborations.

The Panama Canal, as the intersection of global trade and geopolitical competition, has become a matter reflecting the fundamental dynamics of international relations. Trump's statements can be seen as an effort to redefine the United States' understanding of global leadership. However, such populist and harsh rhetoric can create deep cracks in diplomatic relations. Panama's reactions and the international community's approach will be the key factors determining how this discussion will evolve.

If Washington does not adopt a more constructive and mutually respectful policy in its relations with allies in the region, this tension could undermine not only the relationship between the two countries but also the overall diplomatic balance in Latin America. This approach could lead Latin American countries to lose trust in the U.S., prompting them to seek alternative alliances. Such a scenario could negatively impact both economic cooperation and regional stability, potentially leading to a long-term diplomatic and commercial crisis.



[1] "Nothing to Talk About: Panama President Dismisses Trump's Threats over Canal", The Guardian, [www.theguardian.com/world/2024/dec/27/donald-trump-panama-canal-president-threat-jose-raul-mulino](https://www.theguardian.com/world/2024/dec/27/donald-trump-panama-canal-president-threat-jose-raul-mulino), (Accessed Date: 12.28.2024).

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[3] "Nothing to Talk About: Panama President Dismisses Trump's Threats over Canal", Ibid, (Accessed Date: 12.28.2024).

[4] Ashleigh Fields, Ibid, (Accessed Date: 12.28.2024).

[5] Gram Slatery, "Trump Threatens to Retake Control of Panama Canal", Reuters, [www.reuters.com/world/americas/trump-says-he-might-demand-panama-hand-over-canal-2024-12-22/](https://www.reuters.com/world/americas/trump-says-he-might-demand-panama-hand-over-canal-2024-12-22/), (Accessed Date: 12.28.2024).

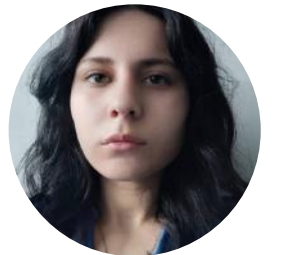
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[7] U.S. Department of State. Panama Canal Treaty of 1977. Archive, <https://2001-2009.state.gov/p/wha/rlnks/11936.htm>, (Accessed Date: 12.28.2024).



## ANKASAM ANALYSIS

# China's Panda Diplomacy



Itir BOZDAĞ

Panda diplomacy is a unique and effective soft power strategy used by China to enhance its international relations and project a positive image globally, with roots in ancient history. The giant panda, an iconic symbol of China, serves as a powerful diplomatic tool due to its universal appeal and rarity.

Through panda diplomacy, China has brought the traditional element of pandas into the international arena. This approach demonstrates that bilateral relationships are not only built through agreements and contracts but also through alternative means. Furthermore, this diplomacy shows how China blends the local and the universal. While the panda is an important local symbol for China, it is also a universally beloved animal.

The use of pandas as a diplomatic tool is rooted in their symbolism of peace, friendship, and goodwill, which makes them ideal ambassadors for China. Pandas housed in foreign zoos often attract significant public interest, generating tourism and cultural activities. This, in turn, strengthens China's image abroad and enhances bilateral relations.

At this point, it can be observed that China assigns a diplomatic position to a living being that is not traditionally seen as a diplomatic instrument. The concepts symbolized by the panda can be interpreted as a strategic reflection of China's goodwill when establishing bilateral relations. On the other hand, pandas can be seen not only as diplomatic symbols but also as representatives of Chinese culture in other countries. The intense interest in pandas in other nations can also be seen as increasing sympathy toward China.

Panda diplomacy also provides significant economic benefits to China. The rental fees for pandas can be quite high; countries pay around 1 million USD per year for the privilege of hosting a pair of pandas. These fees are used to cover the costs of panda conservation efforts in China, thereby supporting the country's wildlife conservation initiatives.[1] In addition to their diplomatic and sociological impacts, the economic contributions of pandas to China cannot be overlooked. The fact that the fees generated through panda diplomacy are used for panda conservation efforts demonstrates China's commitment to nature and its traditional elements. While China uses pandas for diplomatic purposes, it does not forget their intrinsic importance as a species.

"Panda diplomacy" has a long history dating back to the Tang Dynasty, which ruled from 618 to 907. Since its founding in 1949, the People's Republic of China has used giant pandas as a gesture of goodwill towards both international allies and rival countries. Chinese Communist Party leader Mao Zedong gifted the first "panda ambassadors" to the Soviet Union in 1957. The pandas, named Ping Ping and Qi Qi, were sent to the Soviet Union to commemorate the 40th anniversary of the October Revolution. Mao also gifted pandas to other socialist allies, such as North Korea, in an effort to strengthen ties.

It can be seen that China's diplomacy has deep historical roots, and the continuation of this practice to the present day demonstrates its success as a diplomatic strategy. It shows that China has long strived to establish good diplomatic relations and has sought alternative ways to achieve these relations. China's gifting of pandas can be interpreted as a sign of trust in sharing a traditional symbol with that country. During the era of Mao Zedong, panda diplomacy expanded starting from socialist circles. From this perspective, it can be said that the official ideology of the state at that time influenced this diplomacy.

An important diplomatic turning point occurred shortly after U.S. President Richard Nixon's historic visit to China in 1972, which ended more than twenty years of cold relations between the two countries. Just two months after this visit, an 18-month-old panda pair was sent to the United States as a gift.[2] In this context, it can be seen that pandas were once again used as a diplomatic tool in China-U.S. relations. It contributed to the positive trajectory of the relationship between the two countries and demonstrated that panda diplomacy was once again an effective move.

By 1984, panda diplomacy underwent a transformation. Instead of being given as gifts, pandas began to be rented for a 10-year period, which could be extended. This change allowed China to continue promoting its image abroad while also building "guanxi," a Mandarin term meaning trust and relationship. The rental of pandas was seen as a step that encouraged mutual partnerships between China and the countries receiving the pandas.[3]

Despite the changes in panda diplomacy, it can be seen that China has maintained its goodwill. This change has, in a sense, made bilateral relations more active through the use of pandas. Furthermore, this shift reflects China's desire to create a more long-term and sustainable impact in international relations. The rental method can be viewed as a step towards establishing more commercial relations and a strategy for mutual benefit.

During Xi Jinping's presidency, panda diplomacy has been regularly used to symbolize China's desire to strengthen bilateral relations with other countries. For example, in 2014, Malaysia received two pandas to celebrate the 40th anniversary of diplomatic relations with China. Similarly, in 2017, two pandas were sent to Indonesia to mark the 60th anniversary of relations between the two countries.[4]

It can be seen that China continues to pursue its successful panda diplomacy with the same determination today. Not only neighboring countries, but also Western and many Asian countries have been offered this goodwill gesture. Panda diplomacy is not only used to establish good relations, but also to strengthen existing ones. As a result, it is evident that China has created a successful diplomatic strategy based on a universal value, which it has been using for a long time. It would not be wrong to say that China will continue to use this strategy effectively in the future.

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[2] Taylor, M. (2024, September 10). A brief history of "panda diplomacy" – with new additions to global zoos. <https://www.bbc.com/future/article/20240226-a-brief-history-of-panda-diplomacy-with-new-additions-to-global-zoos>, (Access Date: 27.12.2024).

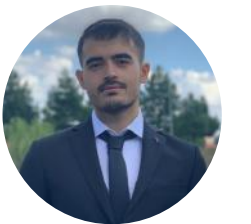
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[4] "China's long history of panda diplomacy". (n.d.), UWA, <https://www.uwa.edu.au/news/article/2024/june/chinas-long-history-of-panda-diplomacy>, (Access Date: 27.12.2024).



## ANKASAM ANALYSIS

# The Aktau Plane Crash and Russia-Azerbaijan Relations



Ergün MAMEDOV

Relations between Azerbaijan and Russia, shaped by historical ties and strategic cooperation, occasionally reveal their fragility through crises. The crash of an Azerbaijan Airlines aircraft near Aktau on December 25, 2024, served as a tangible example of these vulnerabilities, testing the dynamics between the two countries once again. Following the accident, Azerbaijan's explicit demands directed at Russia and Moscow's contradictory statements drew international attention not only to the humanitarian aspect of the incident but also to its impact on regional balances. This tension suggests that, despite Russia's efforts to maintain its influence in the South Caucasus, its hegemony may face further challenges.

The crash of an Azerbaijan Airlines (AZAL) aircraft near the city of Aktau in Kazakhstan went down in history not only as a tragedy but also as a significant source of tension in Azerbaijan-Russia relations. The accident claimed the lives of 38 passengers, while 32 survived, and the ensuing debates attracted international attention due to their humanitarian and diplomatic dimensions. The Azerbaijani government, in its statement, confirmed that the aircraft had been struck by missile shrapnel fired from Russia's Pantsir-S air defense system during drone activity over Grozny. The damaged aircraft, despite the pilots' emergency landing requests, was denied landing permission at any Russian airport and was redirected over the Caspian Sea to Aktau. It was reported that GPS systems had been jammed during the flight. This incident demonstrated that the crash was not merely a technical mishap but also a major diplomatic and military failure.[1]

Following this tragic event, Azerbaijani President Ilham Aliyev explicitly voiced his demands to Russia regarding the Aktau crash. Stating that "Russia must apologize to Azerbaijan, acknowledge its guilt, punish those responsible, and provide compensation both to our state and the victims," Aliyev emphasized that these demands were grounded in international norms and underscored Azerbaijan's determination to resolve the matter justly. Criticizing the contradictory statements made by Russia in the first three days following the accident, Aliyev dismissed claims such as an oxygen tank explosion or a bird strike, which he described as "absurd scenarios," as unfounded. He highlighted that the holes in the aircraft's fuselage and the presence of foreign objects in the passengers' injuries clearly indicated external interference, adding that all details would become clear after the completion of the black box analysis.[2]



Despite the Azerbaijani government's efforts to deliver a strong message to the international community, Russia's initial statements presented a different narrative. The Russian Ministry of Foreign Affairs labeled reports of consultations with the foreign ministries of Azerbaijan and Kazakhstan regarding the accident, allegedly spread by "foreign agents" in NATO countries, as "politically motivated disinformation." The ministry stated that the causes of the crash were being investigated by expert organizations, but these explanations were deemed unsatisfactory by Azerbaijan. Demonstrating its determination, Azerbaijan brought Russia's contradictory statements to the attention of the international community, ensuring the exposure of the facts.[3]

The crash has reignited discussions on Azerbaijan's air transportation safety and international responsibilities. Following the accident near Aktau, AZAL suspended flights on the Baku-Grozny and Baku-Makhachkala routes. While flights on other routes were announced to continue as scheduled, AZAL emphasized that this decision was part of its policy to prioritize passenger safety. This focus on aviation safety reflects Azerbaijan's commitment to international cooperation. Such measures in transportation security represent significant steps to prevent similar tragedies in the future.[4]

In addition, a satirical video produced in Russia depicting air defense systems shooting down Santa Claus sparked widespread backlash and debates on social media. The video portrayed Santa Claus carrying a bomb with a NATO emblem on his sleigh, being struck by a Russian missile while flying over Red Square. However, this video was criticized for its timing in the context of the AZAL plane crash and the accusations against Russia. Although actor Dmitry Melnikov stated that the video was filmed before the crash, it is evident that such content serves as a tool for disinformation and distraction during tragic events. This example highlights the complex dimension of manipulating public opinion through media.[5]

On December 27, 2024, Azerbaijani President Ilham Aliyev announced that Russia had fulfilled the first demand on the list of Azerbaijan's requests—an apology. However, other demands, such as acknowledging guilt, punishing those responsible, and providing compensation, remain unanswered. Aliyev emphasized the need for a thorough international investigation into the incident and called for the establishment of an independent commission composed of international experts. This stance demonstrates that Azerbaijan prioritizes not only its national interests but also international air safety. The tension in Azerbaijan's relations with Russia holds significance not only for the future of economic and cultural ties between the two countries but also for geopolitical balances in the region.

Azerbaijan's determined stance on uncovering the truth behind the incident has garnered significant international support and facilitated transparency in the process. On December 24, 2024, Azerbaijani Ambassador to Russia Rahman Mustafayev stated that Moscow-Baku relations were at a historical crossroads, underscoring how the Aktau Plane Crash has impacted these balances. The developments following this incident mark a critical period for international air transportation safety and the future of diplomatic relations between the two countries.[6]

Relations between Russia and Azerbaijan are undergoing a severe test due to the diplomatic tensions following the plane crash near Aktau. Azerbaijan has held Russia publicly accountable, demanding an apology, compensation, and an acknowledgment of guilt. These demands have brought issues of international aviation safety and diplomatic responsibilities to the forefront. Moscow must exercise careful diplomacy to avoid pushing Azerbaijan closer to the West. While steps such as Russia's apology indicate efforts to manage the tensions, its resistance to demands for compensation and admission of guilt suggests that the conflict will persist at a low intensity. Additionally, the possibility of Azerbaijan deepening its relations with the West poses a threat to Moscow's influence over regional balances.

It is likely that Russia will attempt to strengthen its relationship with Azerbaijan by increasing economic cooperation during this period. Strategic projects in the energy sector, in particular, will play a crucial role in maintaining Moscow's ties with Baku. However, symbolic elements like the satirical video in Russia depicting Santa Claus being shot down by air defense systems have created the perception that Moscow is not taking the crisis seriously. Azerbaijan may interpret such content as an effort to downplay the seriousness of the crash, using it to gather greater influence on the international stage. This situation could negatively affect Moscow's international image and compel Russia to adopt a more cautious strategy.

In the long term, a permanent rupture in relations between Azerbaijan and Russia is not anticipated, but the effects of the tension will continue to be felt on both economic and diplomatic levels. Measures such as Azerbaijan's restriction of temporary stay durations for Russian citizens and the suspension of certain flights can be seen as tangible manifestations of its reaction. However, such actions are expected to exert short-term pressure on Moscow, while the deep-rooted ties between the two countries are believed to have the capacity to overcome such crises in the long run. Both sides are likely to seek a rational basis for compromise, considering their interests in regional stability and economic cooperation, and will likely contain the tension to the level of a limited diplomatic confrontation. In this context, relations between Russia and Azerbaijan are at a critical juncture in terms of regional balances and international power dynamics.

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[3] "Russian MFA denies reports of talks with Baku, Astana on plane crash near Aktau", TASS, <https://tass.com/politics/1894509>, (Access Date: 30.12.2024).

[4] "Azerbaijan Airlines suspends flights from Baku to Grozny, Makhachkala", TASS, <https://tass.com/economy/1893361>, (Access Date: 30.12.2024).

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## ANKASAM ANALYSIS

# BRICS Countries' Currency Initiative and Trump's Reaction

Emin Mirbatur SEVAL

In recent years, there has been growing tension in the global economy between the United States of America (USA) and emerging economies. One of the focal points of this tension is the BRICS bloc (Brazil, Russia, India, China and the Republic of South Africa), which is seeking ways to reduce its dependence on the US dollar. The push for a new BRICS currency, which aims to challenge the dollar's dominance, has sparked considerable controversy. In response, US President Donald Trump issued a severe warning to the BRICS countries, warning them of 100% tariffs if they continue with their plans to create a rival currency.[1]

Trump's warning to the BRICS countries about their currency is part of a broader strategy to preserve the US dollar's hegemony in global markets. The dollar has long been the world's primary reserve currency, widely used in international trade and finance. From this position, the US enjoys great privileges, such as cheap borrowing and a strong influence over global financial institutions. However, the BRICS countries have increasingly criticized this dollar-centric system and some have called for a shift to a more diversified global currency.

Trump's warning to impose 100% tariffs on the BRICS countries if they create a new currency reflects his desire to maintain such an economic leverage. By imposing such high tariffs, Trump hopes to discourage the bloc from plans to challenge the dominance of the dollar. Since tariffs of this magnitude would severely damage the economies of some BRICS countries, it is unlikely that they would pursue such a drastic policy without substantial justification.

While Trump's tariffs appear to be a warning shot against the de-dollarization efforts of the BRICS bloc, it also highlights the growing friction between the US and countries seeking greater independence in international finance. In essence, Trump's stance represents an effort to maintain American dominance over global economic systems by blocking alternative initiatives, such as the BRICS currency, that could reduce US power in international trade and finance.

Reactions from BRICS countries to Trump's tariff warnings have been diverse, with some countries rejecting outright their intention to create a BRICS currency, while others have called for more dialogue on alternatives to the dollar.

South Africa, for example, has firmly rejected plans to create a new BRICS currency. South African officials have emphasized that the country's focus is on increasing trade in local currencies rather than developing a common currency for the bloc. The idea of creating a BRICS currency has never been a priority for South Africa and the government has made it clear that they are not pursuing de-dollarization through a union-wide currency.[2]

India's stance has also been cautious. Indian Foreign Minister Subrahmanyam Jaishankar stated that India has no plans to support a BRICS currency or any official proposal to replace the US dollar in global trade. India has repeatedly stressed the importance of maintaining global financial stability and has not taken any steps to abandon the US dollar in favor of a regional currency.[3]

Russia and Brazil, on the other hand, have shown more interest in reducing their dependence on the US dollar. Russia, in particular, has been actively pushing for the use of local currencies in its trade agreements with BRICS partners. Brazil, too, is open to the idea of moving away from the dollar, but is cautious about the feasibility of creating an official currency to replace it.

Despite these different reactions, there is no widespread consensus within the BRICS bloc on the creation of a new currency. Discussions among BRICS countries are still in the exploratory phase and the economic and political complexities of such a move cannot be ignored.

Trump's warnings have important economic and political implications for both the BRICS countries and the US. Economically, imposing 100% tariffs on the BRICS countries would cause serious disruptions in global trade, particularly in emerging markets. The US is a key trading partner for many BRICS countries, and such tariffs could disrupt not only bilateral trade between the US and these countries, but also trade among BRICS countries themselves. The imposition of tariffs would also increase import and export costs, making goods from BRICS countries more expensive and less competitive in the global market. This would hurt both the US economy, which would face retaliation, and the economies of the BRICS countries, whose access to US markets would be reduced.

Politically, Trump's stance could backfire by prompting a joint response from the BRICS countries. The economic and geopolitical influence of the US has been challenged in recent years, especially by China and Russia. The tariff warning could be a rallying point for the BRICS countries, encouraging them to step up efforts to reduce their dependence on the dollar and explore alternative trade and currency arrangements. Trump's rhetoric could unintentionally strengthen the BRICS countries' commitment to pursue a more multipolar world order and undermine the goal of preserving the dollar's dominance. It may also encourage other countries, particularly developing countries, to seek alternatives to the US dollar. If the US uses tariffs and other forms of economic coercion to maintain its hegemony, other countries may see this as an opportunity to seek greater autonomy in their financial relations, further eroding the centrality of the dollar in the global system.

At the same time, there is widespread skepticism about the feasibility of a BRICS currency. Many economists and analysts believe that creating a new currency to rival the US dollar would face insurmountable challenges. For example, the BRICS countries are not economically integrated to the degree necessary to support a common currency. The bloc is made up of countries, each with different economic priorities and challenges. A common currency would require extensive coordination and economic harmonization, for which the readiness of the BRICS countries is not yet known.

The ongoing debate within the BRICS on reducing dependence on the dollar through alternative trade mechanisms remains a point of debate in global economic policy. While there are discussions on the use of local currencies in bilateral trade, such efforts are still in their infancy and face significant obstacles, such as the liquidity and stability of these currencies. The US dollar remains the world's primary reserve currency despite growing calls for de-dollarization.

In conclusion, Trump's threat to impose 100% tariffs on the BRICS countries has been a flashpoint in the growing tensions between the US and emerging economies. While some BRICS countries have rejected plans to create a new currency, the broader issue of reducing dependence on the dollar continues to gain traction in global economic debates. Trump's stance may strengthen the resolve of BRICS and other emerging economies to move away from the dollar, but it also risks provoking a backlash that could harm US economic interests. As the future of global trade and monetary systems remains uncertain, the dollar's dominance is increasingly being questioned by those seeking greater autonomy in international finance.



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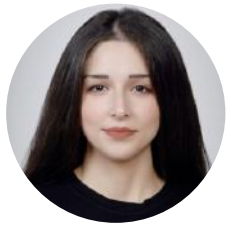
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## ANKASAM ANALYSIS

# 2024 Normative Approach and Deepening of China-Africa Relations



Zeynep Çağla ERİN

China-Africa relations have become an important axis of global politics in recent years. The initiative to elevate dialogue and political communication between the two sides, led by President Xi Jinping of the People's Republic of China, is an important milestone in the transformation of these relations. The new approach proposed by Xi aims to transform the traditional Chinese diplomacy, which is centered around the principle of "non-interference in the internal affairs" of African countries, leaving behind the ideological conflicts of the 1950s and 1960s, into a more in-depth model of political cooperation.

As a strategic continuation of China's Confucian foreign policy and the "small steps" diplomacy of Deng Xiaoping, this shift creates a ground for questioning the West's political-economic order shaped by the Washington Consensus. The policies of the Washington Consensus, which embraced free-market reforms, often deepened economic inequalities and led to socio-political unrest in African countries. In contrast, the Beijing Consensus offers an alternative approach built on principles such as non-interference in the internal affairs of countries, mutual respect and the promotion of the Chinese development model. In this regard, China under Xi's leadership represents a normative aspect of the global order, demonstrating a commitment to greater friendship, cooperation and long-term sustainable development in its relations with Africa.

The Chinese Communist Party's (CCP) development model is based on four key elements that distinguish it from other Western political systems: (i) goal setting, (ii) integration and coordination, (iii) resource mobilization, and (iv) responsibility to the people. Each of these elements are key features that shape the CCP's capacity to both lead different proletarian[1] masses towards development and maintain its legitimacy within the framework of Maoism:[2]

1. Goal Setting and Legitimacy: The CCP has been quite successful in achieving both ideological unity within the party and popular support by setting national goals with a long-term perspective. The party has not limited these goals to economic growth alone; it has put forward a comprehensive vision of development that encompasses areas such as social welfare, environmental sustainability and technological progress. This goal-oriented approach allows the CCP to adopt a more strategic orientation compared to the short-term political cycles seen in liberal democracies.

2. Integration and Coordination: The CCP's centralized authority has made public administration more effective by ensuring integration across the country. The fear of fragmentation, especially in China's modern history, has further increased the importance of a centralized authority and its visibility in international relations. By allowing different models of regional development, the Party allowed for innovative experimentation and integrated it into overall development plans. This offers a model where reform and stability can be managed simultaneously.

3. Resource Mobilization: The CCP's historical experience of mobilization still serves as an effective tool of governance in contemporary China. The Party has the capacity to mobilize the population to achieve both economic and ideological goals. Its rapid and effective response mechanism, especially in times of crisis, ensures the strategic use of resources.

4. Public Responsibility and Legitimacy: The CCP has a responsive governance approach through its deep ties with both its own people and the international community. The strong presence of party organizations at the grassroots allows them to both follow the demands of the people more closely and shape public policies accordingly.

In this context, Xi's discourses at the 2024 Forum on China-Africa Cooperation (FOCAC) summits present China's development model as a source of inspiration for African countries and propose this model as a guide for Africa's sustainable development process. Drawing on China's multi-polar global progress over the past few decades, the discourses emphasize that African countries can draw on these experiences to achieve their development goals.[3]

The FOCAC Summit held on September 4-6, 2024 marked a critical turning point in the evolving dynamics of China-Africa relations. China led 53 high-level African delegations (including 36 presidents and prime ministers), making FOCAC the most prominent actor in the "Africa+1" summits. Headlines such as the \$50.7 billion financial commitment made by President Xi at the summit attracted media attention. This summit reflects a broader normative vision of reshaping China's role in global governance and elevating its relationship with Africa to a long-term, strategic partnership.[4]

The 2024 Summit marked an important turning point in China-Africa relations. China defines its presence in Africa not only as an economic partner but also as an important political ally in Africa's development process. Xi's call to elevate China-Africa relations to a strategic level and build a "China-Africa community with a shared future" shows that China aims to build long-term cooperation and provide greater political and economic support for Africa's development journey.[5] This relationship rejects Western-centric international structures and norms, focusing in particular on calls for reforms in global governance institutions such as the United Nations Security Council (UNSC) and alternatives to the Western understanding of modernization.[6]

China's modernization model was presented throughout the summit as an alternative to the Western development paradigm, and the concept of modernization was articulated as a right that must be realized according to a country's own cultural, social and historical context. This discourse, especially the idea that the Western-imposed model of modernization is incompatible with Africa's realities, resonates with the thinking of many African leaders and societies. Xi has seen modernization not only in economic terms but also in terms of political and social governance, allowing for an approach that recognizes the right of both sides to choose their own path. In this context, China has made concrete promises of support to Africa in areas such as digitalization, industrialization and modernization of agriculture. This aspect of China's engagement with Africa also reflects a strategy in which China aims to strengthen demands for reforms in global governance. China emphasizes that the current international structure, in which Africa does not have a permanent seat in the UNSC, ignores Africa's needs. China's support for strengthening Africa's role in global governance is critical to realizing such reforms in Africa.[7]

In economic terms, China's commitments to Africa are not limited to financial figures. Development-oriented investments such as education, digital cooperation, agricultural modernization and infrastructure projects are projects that will affect millions of people in Africa. China's "soft power" approach aims to offer long-term commitments towards Africa's sustainable development. Initiatives such as the "Framework Agreement on China-Africa Economic Partnership" announced at the FOCAC 2024 Summit envisage strengthening the institutional foundations of economic relations between Africa and China and more flexible trade arrangements.

The Chinese foreign policy of the Xi era reflects the necessity of questioning the international order and the understanding of political power shaped by the West in the development process of African countries. In this framework, it criticizes the limitations of Western-centered neoliberal development models and argues that Africa should develop development strategies in line with its local conditions and needs. This proposal suggests that China's independent approach to its own development process can be considered as an alternative model for Africa.

The transition process that underpins China's economic development success is presented in Xi's speeches as an instructive experience for Africa's economies in transition. In this context, certain aspects of China's reform policies can be instructive for African countries:

Timing and sequencing: The gradual implementation of reforms and the correct sequencing of priorities are emphasized as an effective way to accelerate economic development.

Identifying Priority Sectors: China's focus on sectors such as agriculture, industry and infrastructure provides a strategic model that can guide the development policies of African countries.

Key Development Elements: It is stated that development processes should be supported by central planning, state support and broad public participation.

Xi argues that African countries need to approach reforms within the framework of a strategy to accelerate their development processes. This strategy should be based on a holistic approach that includes both economic and social dimensions of development. China's "innovative, win-win, green, open and shared development" offers a framework that can support Africa's sustainable development goals.

In conclusion, China's relations with Africa mark an important transformation in the new balance of power and global governance paradigm in the context of international relations. By advocating for greater African representation in multilateral platforms such as the UNSC and the G20, China proposes an alternative structure to Western dominance in global decision-making processes. In this context, China pursues a foreign policy based on the principle of non-interference in Africa's internal affairs, while standing against neocolonialism and demanding a fairer global governance and development assistance from Western powers. In addition, China supports increasing the role of African countries in the global economic and political sphere, encouraging them to have a greater say in development processes. Thanks to this strategic approach, China's visibility in Africa is gradually increasing and China continues to consolidate its global power through its relations with Africa and to become a more prominent and normative actor in the international arena.



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## ANKASAM ANALYSIS

# New Global Trade Balance: MERCOSUR-EU Free Trade Agreement

Ali Caner İNCESU

On December 6, 2024, the Southern Common Market (MERCOSUR) and the European Union (EU) signed a historic agreement after 25 years of negotiations.[1] Announced during the MERCOSUR Summit held in Montevideo, this Free Trade Agreement (FTA) aims to create one of the largest and most populous trade regions in the world. This new arrangement, in which an estimated 60,000 companies trade between the EU and MERCOSUR, offers great potential for both economic growth and political cooperation by facilitating trade. However, the environmental, economic, and social impacts of the agreement, as well as the challenges that may arise during the approval process, raise questions about the future of this historic step.

The most important aspect of the MERCOSUR-EU agreement is its potential to increase trade volume between the two parties. MERCOSUR countries will have the opportunity to present their agricultural products and raw materials to the European market with lower customs duties. For example, countries like Brazil and Argentina can accelerate their economic growth by opening their strong agricultural sectors to the EU's high-demand market. Similarly, EU countries can also expand their global markets by providing easier access to Latin America in the automotive, technology, and pharmaceutical sectors.

This agreement also presents an important opportunity in terms of job creation. The opening of new trade routes and investments can create more job opportunities in both regions. Especially in Latin America, the growth potential of small and medium-sized enterprises will increase by collaborating with Europe. This situation can be seen as a driving force supporting regional economic development. In addition to these, it can be said that this agreement is very important for the growth of the domestic market and the stimulation of the economy in countries like Paraguay, which are sources of labor migration.

MERCOSUR is a regional trade bloc established in 1991 with the aim of facilitating trade and enhancing economic cooperation among South American countries through the Asuncion Agreement. Relations with the EU have been shaped by cooperation agreements that began in 1995. However, the negotiations were suspended due to disagreements on issues such as agricultural and environmental policies. Although a draft agreement was reached in 2019, the approval process could not progress due to environmental and political concerns. The Montevideo Summit has provided a historic opportunity to overcome this impasse.

MERCOSUR leaders and members consider the Free Trade Agreement signed with the EU as both an economic and political gain. Argentine President Javier Milei emphasized his belief that free trade would increase prosperity and stated that this agreement would strengthen regional cooperation.<sup>[2]</sup> Brazilian President Luiz Inacio Lula da Silva sees this agreement as an important step for MERCOSUR to become a more effective player in global trade.<sup>[3]</sup> Especially Brazil aims to transfer its strong position in the agriculture and energy sectors to a broader cooperation platform with the EU.

The economic impacts of the MERCOSUR-EU agreement are quite extensive. The EU, with this agreement, will meet Latin America's demand for agricultural products and will be able to offer automotive, chemical, and technology products to the MERCOSUR market. With the implementation of the agreement, MERCOSUR countries are also expecting significant increases in their annual trade volumes.

From the EU's perspective, this agreement offers significant benefits both economically and strategically. MERCOSUR stands out as an ideal partner for the EU's trade and investment goals with its rich natural resources, growing markets, and diversified economic structure. The agreement offers EU countries the opportunity to increase trade volume by providing easier access to MERCOSUR's wide range of agricultural products and raw materials. At the same time, it opens new doors for the EU to expand its strong presence in the automotive, technology, and chemical sectors in Latin America. These trade ties have the potential to deepen economic cooperation between the two sides, creating jobs and promoting economic growth in both regions. MERCOSUR's young and dynamic population also constitutes a promising market for the EU in terms of future trade opportunities.

The environmental impacts of the agreement, especially regarding sustainability, are causing debates. Environmental advocates in Europe are highlighting the issue of deforestation seen in MERCOSUR countries and emphasizing the importance of taking further measures in this regard. The protection of the Amazon rainforest plays a critical role not only for the region but also for the global environmental balance. Therefore, it is expected that the EU will support the process with regulations that strengthen environmental standards.

From a social perspective, such agreements can create new opportunities, especially for small-scale farmers and low-income groups, while also necessitating some regulations and reforms. The capacity of farmers in MERCOSUR countries to compete with large-scale agricultural companies in the EU can be supported by policies that deepen cooperation between the parties. In this process, maintaining economic balance in rural areas and preventing income inequality will be important for maximizing the social benefits of the agreement. Additionally, diversifying economic activities in rural areas and empowering local producers can facilitate overcoming the potential challenges of this agreement. In this context, the agreement can be considered not only a commercial opportunity but also an opportunity for rural development and social improvements.

The MERCOSUR-EU Free Trade Agreement is a historic step taken by two major economic blocs towards partnership. However, for this agreement to be successful, the economic benefits, environmental responsibilities, and social impacts need to be carefully balanced. Although the agreement has been signed, the approval process is still ongoing. Although the Montevideo Summit made significant progress in the technical and political aspects of the agreement, environmental concerns could pose challenges during the approval process. MERCOSUR and the EU, while seizing this historic opportunity, are playing a significant role in shaping the future of global trade.

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## ANKASAM ANALYSIS

# Sri Lanka in the Dissanayake Era: India, China and New Steps

Emin Mirbatur SEVAL

Sri Lanka, a small island nation strategically located in the Indian Ocean, has historically been at the intersection of global and regional power struggles. Over the decades, its foreign policy has been shaped by the changing geopolitical tides, balancing relations with regional giants such as India and China and engaged with global powers to secure its economic and security interests. Under the leadership of President Anura Kumara Dissanayake, Sri Lanka's international relations have witnessed efforts to strengthen ties with India on the one hand and its complex relationship with China on the other.

One of the most important developments in Sri Lanka's foreign policy under President Dissanayake has been the strengthening of ties with India. Visiting India on his first foreign trip after taking office, Dissanayake emphasized the historic and enduring relationship between the two neighbors. India has long been Sri Lanka's most important regional partner, not only geographically but also politically and economically. The two countries share deep cultural, historical and religious ties and there are close interactions between the peoples.

The main focus of Dissanayake's visit was India's critical role in helping Sri Lanka emerge from its economic crisis. Struggling with serious economic challenges such as inflation, debt and foreign exchange shortages, Sri Lanka turned to India for economic support. New Delhi provided significant support in the form of loans and aid, and the relationship evolved beyond immediate economic assistance to long-term partnerships. During the visit, Dissanayake reiterated Sri Lanka's commitment to furthering economic cooperation with India, particularly in areas such as trade, investment and regional security.

Sri Lanka's cooperation with India is also framed in the context of regional stability. The Indian Ocean has become a strategic focal point for global powers and both Sri Lanka and India have a strong interest in securing the region. Discussions between the two countries have therefore spanned regional security areas where both sides seek to enhance military cooperation and maritime security.

While deepening its relations with India, Sri Lanka continues to maintain an intense and extensive relationship with China. China remains Sri Lanka's largest economic supporter and this relationship has important geopolitical implications. President Dissanayake's visit to China in January 2025, following the completion of Sri Lanka's long-delayed external debt restructuring, will be a very important development for bilateral relations. During his visit, Dissanayake is expected to discuss future economic cooperation, including China's increased investment in infrastructure projects. China's Belt and Road Initiative is a central element of this cooperation and Sri Lanka is a key partner in this initiative. This is providing much-needed infrastructure development.[1]

Sri Lanka's economic relations with China should be seen in the broader context of its foreign policy strategy. Sri Lanka seeks to leverage its relationship with China to attract investment, develop its infrastructure and capitalize on China's growing economic power. The strategic balancing act between India and China is one of the most important foreign policy challenges Sri Lanka faces today.

As Sri Lanka seeks to increase foreign investment in its economy, its stock market has been one of the best performing in Asia this year, indicating the potential for economic recovery. The Government of Sri Lanka is actively seeking to encourage foreign participation in capital markets, hoping to attract investment from both India and other global players. One of the key mechanisms for expanding economic ties is the Economic and Technology Cooperation Agreement (ETCA) with India, which aims to enhance trade, technology exchange and economic cooperation between the two countries.[2]

This agreement focuses on reducing trade barriers, expanding bilateral trade and creating an environment that fosters closer economic integration between Sri Lanka and India. On the other hand, there are concerns about the potential long-term effects of this agreement. Critics argue that the ETCA, while beneficial in the short term, could undermine Sri Lanka's economic sovereignty, particularly with respect to local industries and labor markets.

Sri Lanka is also seeking to diversify its economic relations beyond its immediate neighbors. Diplomatic efforts are directed towards strengthening relations with other global players, including the United States of America (USA) and the European Union (EU). Sri Lanka's participation in global trade agreements and active engagement in multilateral forums have opened new routes for economic growth. For example, the country recently celebrated 75 years of diplomatic relations with Sweden, emphasizing the importance of maintaining strong global partnerships.[3]

Sri Lanka's foreign policy is increasingly focused on developing partnerships with major global players. The country's foreign minister has emphasized the importance of engaging with both traditional and emerging powers in a strategic manner. Sri Lanka's diplomatic efforts focus on diversifying its relations to reduce dependence on any one country in terms of economic assistance, security partnerships or trade.

In addition to India and China, Sri Lanka has sought to develop relations with the US, Europe and Japan. Relations with the US have focused primarily on trade and investment, while Japan has been an important partner in infrastructure development. Sri Lanka's membership in international and regional organizations such as the United Nations, the World Trade Organization (WTO) and the South Asian Association for Regional Cooperation (SAARC) provides further opportunities to engage with global actors and strengthen its international position.

Sri Lanka's foreign policy under President Anura Kumara Dissanayake represents a dynamic effort to navigate the complex geopolitical environment of the Indian Ocean region. Strengthening ties with India while maintaining a balanced relationship with China has become the cornerstone of Sri Lanka's international strategy. Sri Lanka is also engaging in broader diplomatic engagements with global powers and seeking to diversify its economic and trade relations. Sri Lanka's success in balancing these competing interests will be critical to its future economic stability and geopolitical security. As Sri Lanka emerges from a period of deep economic crisis, its ability to forge strategic partnerships while maintaining its sovereignty will go a long way in determining its place in an increasingly interconnected and multipolar world.

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Mayıs | May 2019  
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*The latest issue of the International Journal of Crisis and Politics Studies, an international peer-reviewed journal operating within the Ankara Center for Crisis and Politics Studies (ANKASAM), has been published. Academic Keys, ASOS Index, CEEOL, Cite Factor, DRJI, Index Copernicus, Ideal Online, Research Bible, Sindex and TUBITAK DERGIPARK databases are scanned by our journal can be accessed via the link below.*

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