

Welcome to This Week's Asia on the Horizon

As the Indo-Pacific region navigates a turbulent geopolitical landscape, this week's developments underscore a rapid recalibration of alliances, economic priorities, and regional diplomacy. From high-stakes tariff wars reshaping global trade flows to humanitarian crises and military maneuvers, Asia continues to emerge not just as a theater of contestation, but also as a center of resilience and innovation.

Our spotlight opens in South Korea, where the Constitutional Court's reinstatement of Han Duck-soo as acting president has temporarily restored political stability after months of constitutional chaos. Meanwhile, U.S. DefSec Hegseth's Indo-Pacific tour, marked by a strong reaffirmation of alliances in Guam and the Philippines, highlights Washington's escalating focus on power projection amid Chinese assertiveness.

In Beijing, diplomacy surged ahead as China hosted a wave of European envoys, deepening ties with Portugal and France while inviting the European Union to stand against U.S. protectionism. These overtures reflect a larger strategic pivot as Europe weighs economic autonomy against transatlantic discord. Simultaneously, the U.S. Intelligence Community's 2025 Threat Assessment places China at the center of global strategic competition—citing its expanding military, cyber, and tech capabilities.

Further south, Myanmar reels from a catastrophic earthquake, prompting a rare opening by the military junta for foreign rescue teams. The disaster, compounded by internal conflict, has sparked a large-scale humanitarian response across the region. At sea, Russia's Kalibr missile drills in the Sea of Japan and China's military patrols in the South China Sea reflect intensifying naval activity and regional flashpoints, while North Korea's unveiling of AI-powered drones and early-warning aircraft reinforces the rising prominence of emerging technologies in modern conflict.

On the economic front, Trump's sweeping auto tariffs have triggered strong pushback from key partners including Japan, South Korea, Canada, and the EU. These measures, viewed by many as politically motivated and economically disruptive, are fueling global uncertainty and calls for a renewed multilateral response. In parallel, Boao Forum 2025 brought together leaders from across Asia and beyond to advocate for deeper regional cooperation, sustainable development, and responsible technological governance.

This issue captures a world in flux, where the tectonic shifts of power, policy, and politics are redrawing Asia's role in the international system. From maritime muscle to economic maneuvering, Asia on the Horizon continues to track the critical inflection points shaping the region—and the world.



1. KEY DEVELOPMENTS

South Korean Constitutional Court Reinstates Han Duck-soo as Acting President

South Korea's Constitutional Court has overturned the impeachment of Prime Minister Han Duck-soo, reinstating him as acting president amid a historic constitutional crisis sparked by President Yoon Suk Yeol's controversial martial law decree in December. In a 7–1 ruling, the court found that the accusations against Han—including his refusal to appoint key Constitutional Court justices and his alleged complicity in Yoon's actions—either lacked legal grounds or were not serious enough to warrant removal. While the verdict does not directly impact the pending impeachment case against President Yoon, it marks a significant political moment, restoring experienced leadership to a deeply divided government. Speaking after the ruling, Han pledged to “safeguard national interests” in the face of rising global trade tensions, particularly as South Korea braces for a new round of U.S. tariffs under President Trump's administration.

Han's reinstatement brings a measure of administrative stability following months of chaos that saw both the president and his acting successor suspended in quick succession. The political turmoil erupted after Yoon declared martial law on December 3, deploying troops to the National Assembly—a move many viewed as an attempted power grab. Although the decree was overturned within hours, it triggered a wave of resignations, investigations, and rival protests across the country. Han, a seasoned bureaucrat who has served under five presidents, was initially ousted in late December after clashing with the opposition over judicial appointments. His return could embolden conservative supporters ahead of the Constitutional Court's long-awaited ruling on Yoon's fate, a decision expected in the coming days that could either restore presidential powers or trigger a snap election.

U.S. Defense Secretary Hegseth Reinforces Indo-Pacific Strategy with Regional Tour

U.S. Secretary of Defense Pete Hegseth embarked on his first official tour of the Indo-Pacific this week, visiting Hawaii, Guam, the Philippines, and Japan to reinforce defense partnerships and operational readiness amid mounting regional tensions. In Hawaii, Hegseth engaged with leadership at U.S. Indo-Pacific Command, followed by a high-profile visit to Guam, where he praised U.S. troops as the “tip of the spear” in deterring Chinese aggression. He described the island's rapidly expanding missile defense systems as a model for the continental U.S., referencing President Trump's “Golden Dome” initiative. His remarks come as the Pentagon commits over \$7 billion in military construction on Guam, now widely seen as a frontline target in any potential Taiwan conflict.

During his stop in Guam, Hegseth underscored the strategic vulnerability of the territory, pointing to Chinese missile capabilities, including the DF-26 “Guam killer” and advanced hypersonic systems, as key threats. Amid ongoing military exercises and increased Chinese provocations in the Philippine Sea, the Secretary emphasized the urgency of enhancing missile and air defenses to protect what he called a “dangerous neighborhood.” The tour will conclude in Japan, where Hegseth is set to attend the 80th anniversary of the Battle of Iwo Jima and hold talks with senior Japanese officials. His regional swing reflects Washington’s intensified focus on Indo-Pacific deterrence and power projection, even as China warns against expanding U.S. military footprints near its periphery.

China and Portugal Reaffirm Strategic Partnership Amid Shifting EU Alignments

Chinese Foreign Minister Wang Yi and Portuguese Foreign Minister Paulo Rangel convened in Beijing for the second China-Portugal Strategic Dialogue, marking the 20th anniversary of the countries’ comprehensive strategic partnership and signaling renewed momentum in China-EU relations. Emphasizing mutual respect and support, Wang praised Portugal’s adherence to the one-China policy and underscored the importance of multilateralism and cooperation amid growing global uncertainty. Rangel, the first European foreign minister to visit China following its recent legislative “Two Sessions,” voiced support for deeper bilateral engagement, highlighting opportunities in energy, green development, and infrastructure under the Belt and Road Initiative. As trade frictions with the United States escalate, Portugal’s outreach to Beijing also reflects a broader European recalibration in search of economic stability and strategic autonomy.

The dialogue comes amid a surge in high-level European visits to China, including French Foreign Minister Jean-Noël Barrot and EU trade chief Maros Sefcovic, as tensions rise across the transatlantic alliance. Analysts note that the EU’s growing fiscal strain, internal political fragmentation, and dissatisfaction with Washington’s tariff regime are pushing European states toward China for alternative partnerships—particularly in artificial intelligence, digital trade, and energy transition. Wang reaffirmed China’s support for Europe as a key pole in a multipolar world and stressed that China and Europe are partners, not rivals. As both sides look to recalibrate ties, Portugal’s role as a gateway between Europe and China—especially through its strategic port infrastructure and Belt and Road alignment—could help catalyze broader cooperation across the continent.

China Identified as Most Comprehensive Threat in U.S. Intelligence Community's 2025 Assessment

The U.S. Intelligence Community's 2025 Annual Threat Assessment designates China as the most capable state actor challenging American global interests. Driven by its “great rejuvenation” goal for 2049, Beijing is leveraging diplomatic, economic, technological, and military tools to expand its influence and undermine U.S. leadership—while seeking to avoid direct conflict. Tactically, this includes the use of economic coercion, military posturing near Taiwan and in the South China Sea, and cyber pre-positioning in U.S. infrastructure. China maintains the world's largest navy, continues to modernize its nuclear forces, and is advancing high-impact weapons like the hypersonic DF-27 missile, designed to deter U.S. intervention in regional conflicts.

China's technological ambitions are equally significant. The report highlights Beijing's aspirations to dominate AI, biotech, and semiconductor production—leveraging both legal investments and illicit cyber espionage to close the gap with U.S. capabilities. China has become a global leader in legacy chip production and is racing toward 3nm technology using older equipment, while also building capabilities in space—aspiring to establish a Moon base by 2035. In cyberspace, China remains the top U.S. adversary, conducting Volt and Salt Typhoon campaigns to target telecoms, energy grids, and logistics networks. These multifaceted efforts represent a whole-of-government strategy to shape a global order more favorable to Beijing and diminish Washington's global standing.

Russia Conducts Cruise Missile Drills in Sea of Japan Amid Regional Tensions

Russia's Pacific Fleet carried out a high-profile missile drill on March 26, with the diesel-electric submarine Ufa launching Kalibr cruise missiles at both sea-based and coastal targets from the Sea of Japan. According to the Russian defense ministry, all targets were successfully struck at distances exceeding 1,000 kilometers. The Ufa, commissioned in late 2022, is known for its stealth and advanced capabilities, boasting a maximum displacement of over 3,900 tons and operational diving depths of up to 300 meters.

The exercises highlight Russia's continued military posturing in the Indo-Pacific, particularly in proximity to Japan and U.S. regional forces. While framed as routine drills, the long-range missile launches underscore the strategic reach of Russia's conventional forces and their readiness to operate across key maritime theaters. The Sea of Japan, a contested and sensitive waterway, has increasingly seen overlapping military activities from Russia, China, and U.S. allies, raising concerns about escalation risks in the broader East Asian security environment.

Seoul Responds to Chinese Maritime Presence with Monitoring Platform in Disputed Waters

Amid growing tensions in the Yellow Sea, South Korea has installed a stationary floating platform to monitor China's increasing presence in a disputed maritime zone where the countries' exclusive economic zones (EEZs) overlap. Oceans Minister Kang Do-hyung announced the move on March 26, describing it as a “reciprocal” measure after Beijing constructed structures it claims are fish farming facilities. South Korean officials, however, view the installations as possible attempts by China to solidify territorial claims, echoing its tactics in the South China Sea. The platform, officially designated for environmental survey purposes, follows a February incident in which Chinese coast guard and civilian vessels obstructed a South Korean research mission, leading to a brief stand-off.

South Korean lawmakers from the ruling People Power Party have called China's actions a “direct challenge to marine security” and urged a firmer national response. Party leaders warned against overlooking China's strategic intent, drawing parallels to its expansionist approach in other contested waters. Meanwhile, the Chinese embassy in Seoul denied any wrongdoing, stating the facilities are within Chinese coastal waters and intended for aquaculture. It emphasized the importance of avoiding “unwarranted politicization” and stressed ongoing communication between the two governments. The situation underscores the growing maritime friction between Seoul and Beijing, with broader implications for regional stability and the rules-based order in East Asia.

Kim Jong Un Showcases AI Suicide Drones and Airborne Early-Warning Aircraft

North Korean leader Kim Jong Un has unveiled new advances in unmanned and artificial intelligence (AI)-driven weaponry, including suicide drones and an airborne early-warning (AEW) aircraft, according to state media reports on March 27. Kim supervised tests of AI-equipped drones capable of precision strikes and emphasized the strategic priority of integrating unmanned and AI technologies in military modernization. North Korean state media also displayed upgraded reconnaissance drones and fixed-wing UAVs performing kamikaze-style attacks on mock targets, underlining the regime's growing emphasis on asymmetric warfare. Analysts noted that Pyongyang's apparent development of drones resembling the U.S. RQ-4 Global Hawk suggests an ambition to enhance long-range surveillance capabilities.

In a notable first, North Korea officially showcased a large AEW aircraft, likely a retrofitted Russian-made Il-76 cargo plane with a mounted radar dome. The aircraft could significantly boost Pyongyang's ability to track low-flying threats across the Korean Peninsula's mountainous terrain, mitigating gaps in its ground-based radar coverage. While the full operational capability of the platform remains unclear, South Korean officials warned it may be vulnerable to interception. Seoul also suspects Russian involvement in the AEW system's internal components—part of a broader pattern of military cooperation in which Pyongyang has reportedly sent troops to aid Russia in Ukraine in exchange for advanced defense equipment. The developments underscore North Korea's accelerating military-technological ambitions and its deepening ties with Moscow amid regional security tensions.

U.S. and China Exchange Trade Concerns Ahead of New Tariff Measures

U.S. Trade Representative Jamieson Greer and Chinese Vice Premier He Lifeng held a frank virtual dialogue on March 26 amid rising trade tensions, as President Donald Trump prepares to impose additional reciprocal tariffs on Chinese imports. During the introductory talks, Greer outlined the Trump administration's trade objectives, emphasizing domestic investment, industrial competitiveness, and the defense of American workers and national security. He also voiced serious concerns over what Washington views as China's "unfair and anticompetitive" trade practices. The conversation comes as the U.S. enacts a sweeping 20% tariff on all Chinese imports and readies further measures aimed at countering what it deems discriminatory trade barriers.

Beijing, in turn, expressed "solemn concerns" about the escalating U.S. tariffs, with state media framing the talks as a "candid and in-depth" exchange. China has responded to the U.S. measures with its own targeted tariffs of up to 15% on key American exports including LNG, agricultural goods, and machinery—escalating an already fraught economic relationship. Tensions between the two powers continue to intensify, shaped not only by trade disputes but also by broader strategic disagreements over technology, fentanyl exports, and Taiwan. Both sides agreed to maintain open communication, but with new tariff rounds imminent, the prospects for de-escalation remain uncertain.

France and China Reaffirm Strategic Dialogue Amid Global Crises

French Foreign Minister Jean-Noël Barrot met Chinese counterpart Wang Yi in Beijing for wide-ranging talks focused on global security, economic relations, and multilateral governance. Against the backdrop of escalating geopolitical tensions, both sides stressed the urgency of strengthening Franco-Chinese cooperation. Wang emphasized China's commitment to multilateralism, deeper economic engagement—including in green energy, AI, aerospace, and biotech—and peaceful conflict resolution under the UN framework. Barrot, meanwhile, called for a constructive China-EU partnership rooted in mutual respect, and urged Beijing to use its influence to bring Russia to the

negotiating table over Ukraine. Both reaffirmed their joint responsibility in addressing shared global challenges, from climate change to nuclear proliferation.

Barrot also rejected the notion of economic decoupling and advocated for fair competition under World Trade Organization (WTO) rules, underscoring the EU's strategic autonomy in shaping its future. France raised concerns about regional tensions in the Middle East and East Asia, while welcoming China's participation in the upcoming UN Ocean Conference in Nice. A joint statement on climate and biodiversity further reflected a shared desire to lead on environmental governance. The visit reinforced the importance of high-level dialogue, with both ministers signaling a desire to stabilize ties, boost mutual investment, and deepen people-to-people exchanges in the face of a rapidly evolving international order.

Trump's Auto Tariffs Spark Global Backlash and Market Uncertainty

President Donald Trump's announcement of a sweeping 25% tariff on all imported cars and auto parts—set to take effect on April 2—has sent shockwaves through global markets and diplomatic channels. The measure, aimed at boosting U.S. manufacturing and shielding American workers, applies to passenger vehicles, light trucks, and parts, with a partial exemption for Canada and Mexico based on domestic content. As nearly 40% of vehicles sold in the U.S. are imported, the tariff is expected to raise consumer prices and deepen supply chain disruptions. The White House projects \$100 billion in annual revenue, but automakers—especially those with global sourcing models—face rising production costs and shrinking profit margins.

The international response has been swift and critical. China denounced the move as a violation of WTO rules, while the EU warned it would harm both businesses and consumers, with Brussels exploring countermeasures. Canada labeled the tariffs a “direct attack” on its workers and promised retaliation. The UK has entered urgent talks with Washington to mitigate economic fallout, and other countries, including South Korea and India, have already begun adjusting their trade practices. Economists warn the tariffs could erode U.S. consumer confidence, which has already hit a four-year low, and may amplify recession risks as inflation fears mount and global trade tensions escalate.

China Invites EU to Align on Trade as U.S. Tariff Pressures Mount

China's top economic official, Vice Premier He Lifeng, has extended an invitation to the European Union to strengthen cooperation in resisting U.S. protectionism, amid rising global trade tensions fueled by President Trump's tariff escalations. During meetings in Beijing with EU Trade Commissioner Maros Sefcovic, He emphasized China's willingness to jointly defend the multilateral trading system and counter tariff threats—particularly in light of the U.S. imposing a 25% levy on imported vehicles that disproportionately affects European, especially German, automakers. Chinese state media framed the offer as a “rational choice” for the EU, citing growing U.S. policy volatility and Beijing's relative economic stability.

While both sides expressed interest in stabilizing ties and addressing shared trade concerns, the EU also voiced persistent frustrations with China's market access barriers, procurement asymmetries, and restrictions on cross-border data transfers. Sefcovic stressed the need to "rebalance" trade and investment relations, advocating for a more level playing field. The meetings, including a separate session between Sefcovic and Commerce Minister Wang Wentao, underscored mutual acknowledgment of strategic interdependence despite ongoing friction. As the U.S. adopts an increasingly unilateral approach to trade, China and the EU appear to be exploring pragmatic avenues for economic alignment—albeit from cautious and sometimes divergent positions.

Japan Signals Tough Stance as U.S. Auto Tariffs Threaten Key Export Sector

Japanese Prime Minister Shigeru Ishiba warned that Tokyo is considering "all options" in response to the United States' decision to impose a 25% tariff on imported automobiles and light trucks starting next week. Speaking before parliament, Ishiba questioned the logic of applying uniform tariffs to countries like Japan, which is among the largest foreign investors in the U.S. The measure, announced by President Trump, marks a major escalation in global trade tensions and poses a significant risk to Japan's economy, where the auto industry is a key pillar. Autos accounted for over 28% of Japan's exports to the U.S. in 2024, and the sector represents roughly 3% of the country's GDP.

The market reacted swiftly, with shares in Japanese automakers tumbling amid fears of a sharp downturn in overseas sales. Analysts warn the tariffs could reduce Japan's GDP by as much as 0.2%, jeopardizing the country's recent wage gains and broader economic momentum. Ishiba's comments indicate Japan is prepared to push back diplomatically—and possibly economically—against the tariffs, though specific countermeasures remain undisclosed. With Japan's auto sector deeply intertwined with U.S. supply chains and consumer markets, the tariff shock could have ripple effects across both economies, further complicating an already volatile global trade environment.

Xi and Yunus Vow to Deepen China-Bangladesh Strategic Partnership

Chinese President Xi Jinping and Bangladesh's interim leader Muhammad Yunus met in Beijing on March 28, marking a significant diplomatic milestone as the two countries celebrate 50 years of diplomatic ties. In their first bilateral meeting since Yunus assumed office, both leaders reaffirmed mutual support on sovereignty and national development, while committing to expand Belt and Road cooperation, investment, and infrastructure projects. Xi emphasized China's stable policy toward Bangladesh and expressed readiness to boost collaboration in emerging sectors including the digital and green economies, water management, and maritime development. Yunus, in turn, praised China as a trusted partner and welcomed more Chinese investment to support Bangladesh's economic transformation.

The meeting also signaled a shifting geopolitical balance in South Asia, with Dhaka's relations with New Delhi strained following the ouster of former Prime Minister Sheikh Hasina. Yunus used the visit to seek stronger Chinese support in resolving the Rohingya refugee crisis, and both sides pledged closer coordination on global issues such as multilateralism, development diplomacy, and peacebuilding. Agreements on cultural, technical, and economic cooperation were expected to be signed during Yunus's four-day visit, which also included engagements at the Boao Forum for Asia. Xi pledged lower interest rates on Chinese loans and greater market access for Bangladeshi exports—symbolizing Beijing's growing strategic foothold in the Bay of Bengal amid broader regional realignments.

Boao Forum 2025 Emphasizes Asian Unity, Multilateralism Amid Global Uncertainty

The Boao Forum for Asia 2025, held from March 25–28 in Hainan, China, convened nearly 2,000 delegates from over 60 countries under the theme “Asia in the Changing World: Towards a Shared Future.” Amid mounting global instability—from trade wars to regional conflicts—the forum served as a rare platform for constructive dialogue, focusing on regional cooperation, economic integration, and sustainable development. Chinese Vice Premier Ding Xuexiang and former UN Secretary-General Ban Ki-moon underscored the need to bolster multilateralism, safeguard global free trade, and enhance Asia's leadership in shaping a more inclusive global order. The conference also spotlighted growing momentum behind the Regional Comprehensive Economic Partnership (RCEP) and the vital role of the Global South in powering global economic growth.

Key sessions addressed pressing challenges including China–U.S. relations, energy transition, climate governance, and the regulation of artificial intelligence. Prominent figures such as former U.S. Commerce Secretary Carlos Gutierrez and Columbia University's Jeffrey Sachs called for restraint in unilateral policies and emphasized the importance of renewed China–U.S. engagement. Energy security and clean power integration also took center stage, with leaders advocating for an Asia-wide green electricity network. In the healthcare sphere, AstraZeneca announced a ¥20 billion AI-focused R&D investment in China, praising its supportive innovation environment. The forum reaffirmed Asia's growing influence in shaping global norms, while offering a stabilizing voice amid today's fragmented international landscape.

Myanmar Earthquake Kills Over 1,600, Triggers Major International Relief Effort

A devastating 7.7 magnitude earthquake struck central Myanmar on March 28, leaving over 1,600 people dead and prompting the military junta to allow hundreds of foreign rescuers into the country—a rare move amid ongoing civil conflict. The quake, one of the deadliest in the region’s history, caused widespread destruction in Mandalay and surrounding areas, collapsing buildings, crippling transportation infrastructure, and overwhelming hospitals. With airports in Mandalay and Naypyitaw shut due to structural damage, survivors have been left digging through rubble with bare hands as rescue equipment remains scarce. International aid has begun arriving from countries including China, India, Russia, and Singapore, with the U.S. also pledging assistance despite strained ties with the junta.

The humanitarian crisis extends beyond Myanmar’s borders, with at least nine people killed in neighboring Thailand after a high-rise under construction collapsed in Bangkok. Rescue operations continue across both nations, as fears mount that the true death toll could exceed 10,000. Myanmar’s opposition National Unity Government reported extensive infrastructure damage, while UN agencies warn that road blockages are severely hindering emergency response. Chinese President Xi Jinping pledged nearly \$14 million in aid, and additional support is en route from regional and global partners. The earthquake has compounded Myanmar’s already fragile situation, exposing the deep vulnerabilities of a country grappling with civil war, economic collapse, and limited state capacity to manage disasters at scale.

China Conducts South China Sea Patrol as U.S. Reaffirms Alliance with Philippines

China’s military carried out a high-profile patrol in the South China Sea on March 29, issuing a pointed warning to the Philippines over its increasing defense cooperation with foreign powers, particularly the United States. The patrol was announced by the PLA’s Southern Theatre Command, which accused Manila of destabilizing the region by conducting joint patrols and spreading “illegal claims.” The show of force coincided with U.S. Defense Secretary Pete Hegseth’s visit to the Philippines, where he met with President Ferdinand Marcos Jr. and Defense Secretary Gilberto Teodoro, and reaffirmed Washington’s ironclad defense commitment to Manila under the U.S.-Philippines Mutual Defense Treaty.

The same day, naval forces from the U.S., Japan, and the Philippines held joint maritime drills in the contested waters, drawing a sharp response from Beijing. China claims nearly the entire South China Sea, despite overlapping claims from multiple Southeast Asian nations and a 2016 international tribunal ruling rejecting its expansive claims. With \$3 trillion in global trade transiting the area annually, the South China Sea remains a flashpoint for geopolitical rivalry. The timing of China’s patrol underscores its intent to counter what it sees as growing foreign encroachment, while the U.S. seeks to bolster regional alliances in the face of rising maritime coercion.

South Korea and China Pledge Trade Cooperation Amid Rising U.S. Tariff Pressures

Industry ministers from South Korea and China met in Seoul on March 29 to deepen bilateral cooperation and coordinate responses to mounting global trade challenges, particularly as U.S. tariff actions under President Donald Trump threaten key Asian export sectors. South Korean Minister Ahn Duk-geun and Chinese Commerce Minister Wang Wentao discussed strategies for adapting to a shifting global trade landscape and agreed to work together not only bilaterally but also in multilateral trade forums. The meeting marked the first direct industry-level engagement between the two nations since November 2023 and precedes a trilateral summit with Japan's Trade Minister Yoji Muto scheduled for March 31.

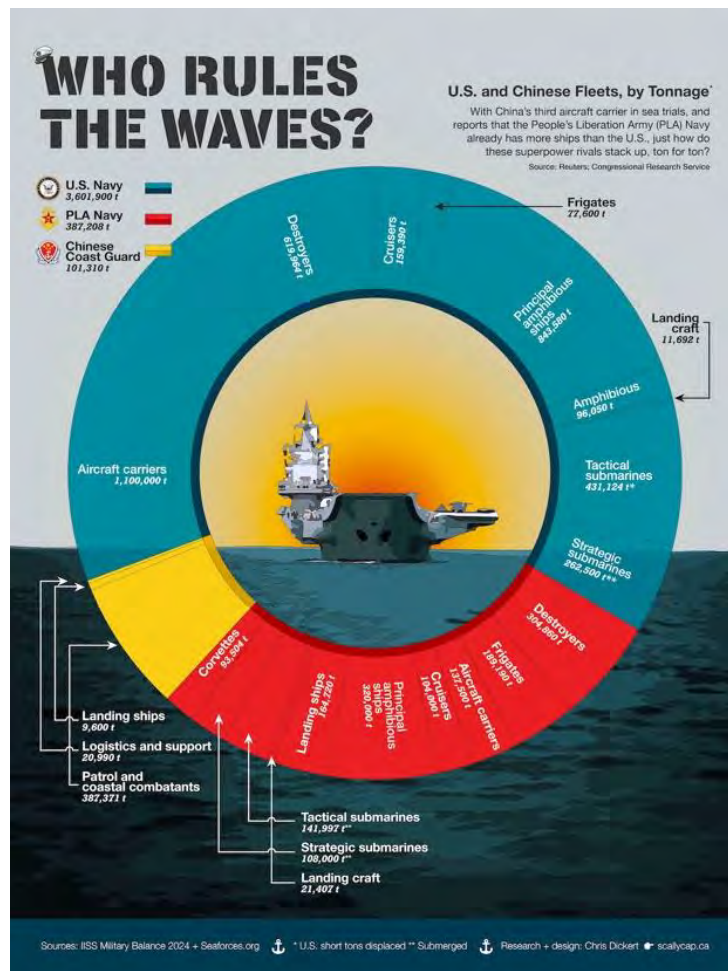
The talks come at a critical moment, as both China and South Korea face rising economic pressure from Washington's protectionist measures. Trump has already imposed sweeping 20% tariffs on all Chinese imports and a 25% tariff on foreign automobiles, with further levies targeting semiconductors and electric vehicle batteries likely to follow. South Korean officials have warned that such tariffs could pose "considerable difficulties" for their export-driven economy. Against this backdrop, Seoul and Beijing's renewed dialogue signals a shared interest in strengthening regional trade ties and jointly navigating the increasingly fragmented global economic order.

2. STATISTICS OF THE WEEK

Who Rules the Waves? U.S. vs. China Naval Power by Tonnage

A striking visual comparison of U.S. and Chinese maritime forces reveals a growing competition not just in ship count, but in total tonnage. According to data from IISS and the Congressional Research Service, the U.S. Navy maintains maritime supremacy by displacement, fielding a fleet with a total tonnage of approximately 3.6 million tons, compared to the 387,208 tons of China's PLA Navy and 101,310 tons of the Chinese Coast Guard.

Aircraft carriers form the backbone of U.S. sea power, accounting for a massive 1.1 million tons alone—nearly three times the tonnage of all Chinese naval assets combined. In contrast, China's naval strength lies in volume and rapid expansion, with notable investments in destroyers, tactical submarines, and amphibious platforms. While the U.S. dominates in strategic submarines (262,500 tons) and cruisers (153,291 tons), China is closing the gap in frigates, patrol craft, and amphibious capabilities. With the PLA Navy's third aircraft carrier undergoing sea trials, this naval arms race continues to shape the balance of power across the Indo-Pacific.



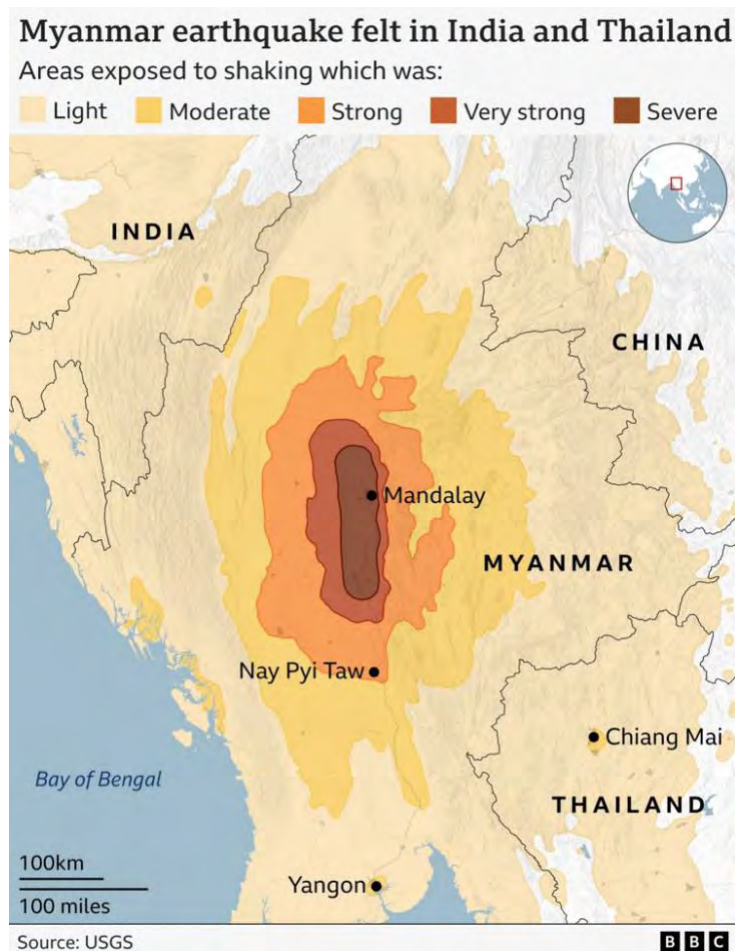
<https://www.visualcapitalist.com/cp/who-rules-the-waves-u-s-and-chinese-fleets-by-tonnage/>

3. MAP OF THE WEEK

Myanmar Earthquake Reverberates Across Borders

This week's map, sourced from the USGS and published by the BBC, vividly illustrates the geographical impact of the devastating 7.7 magnitude earthquake that struck central Myanmar on March 29. The epicenter, located near Mandalay, triggered tremors felt as far as India and northern Thailand, with intensity levels ranging from "moderate" to "severe" across a broad swath of the region. The most intense shaking occurred between Mandalay and Nay Pyi Taw, with vast areas experiencing strong to very strong seismic activity.

The quake, Myanmar's deadliest in decades, has already claimed over 1,600 lives and caused widespread infrastructure collapse. The color-coded gradient highlights the concentric zones of impact, underscoring how fragile geographies in Myanmar, northern Thailand (Chiang Mai), and parts of eastern India lie within an active seismic corridor. As aftershocks continue and international rescue efforts ramp up, the map serves as a stark visual reminder of the region's vulnerability to natural disasters and the urgent need for cross-border disaster preparedness.



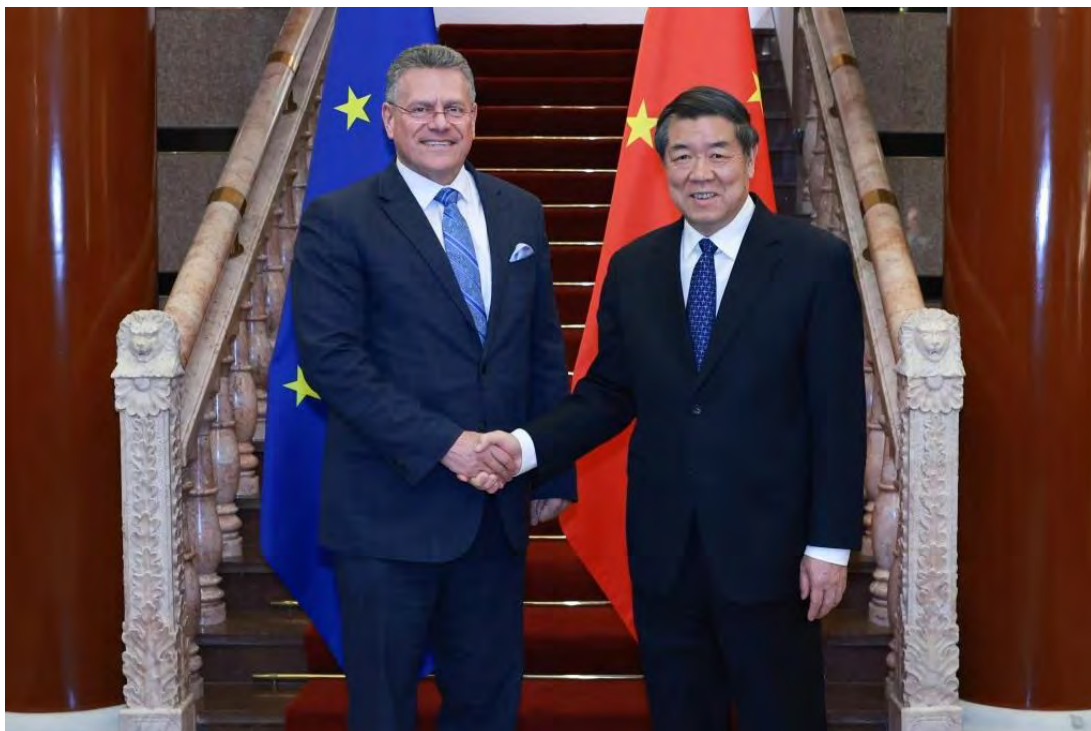
<https://www.bbc.com/news/articles/crlxld7882o>

4. PHOTO OF THE WEEK

EU-China Handshake Hints at Diplomatic Reset

This week's photo captures a significant moment in EU-China relations: European Trade Commissioner Maros Sefcovic meeting Chinese Vice Premier He Lifeng in Beijing. Set against the backdrop of EU and Chinese flags, the warm handshake marks a symbolic pivot in the European Union's trade posture as it seeks to balance economic resilience with renewed engagement.

Sefcovic's visit comes at a delicate juncture amid growing tensions with the United States over tariffs and global trade fragmentation. His statement that the EU is ready to "deepen cooperation" with China signals a softening tone from Brussels—one increasingly focused on maintaining open dialogue and safeguarding market access with its second-largest trading partner. While differences on reciprocity and market access remain, the image speaks volumes about the EU's pragmatic recalibration in an era of strategic ambiguity.



Chinese Vice-Premier He Lifeng with European trade commissioner Maros Sefcovic are seen in Beijing
Photo: Xinhua

<https://www.scmp.com/news/china/diplomacy/article/3304180/eu-trade-commissioner-says-bloc-seeks-deepen-cooperation-china>

5. INFOGRAPHIC OF THE WEEK

China in the Crosshairs: U.S. Intelligence Community's 2025 Threat Assessment

This week's featured infographic spotlights China as the foremost strategic rival to the United States, as detailed in the U.S. Intelligence Community's 2025 Annual Threat Assessment. From hypersonic missile development to AI-driven disinformation campaigns, the graphic breaks down how Beijing is leveraging military power, economic coercion, cyber capabilities, and technological innovation to expand its global influence—all while avoiding direct conflict.

Key highlights include China's military buildup around Taiwan and the South China Sea, its dominance in legacy chip production, biotech, and surveillance tech, as well as its ambition to reach the Moon by 2035. Notably, China's AI capabilities and cyber campaigns—such as Volt and Salt Typhoon—are identified as top-tier threats to U.S. infrastructure. The infographic serves as a stark reminder of the multifaceted competition shaping the Indo-Pacific and the broader international system.



6. REGIONAL ALLIANCES

Boao Forum 2025 Signals Asia's Rising Role in Global Governance

As geopolitical fragmentation deepens and global growth slows, the Boao Forum for Asia 2025 emerged as a platform for reaffirming regional unity and pragmatic cooperation. Held under the theme “Asia in the Changing World: Towards a Shared Future,” this year’s forum brought together over 2,000 delegates from more than 60 countries, including political leaders, business executives, scholars, and heads of international organizations. The message was clear: Asia intends to shape—not just adapt to—the new world order.

Strengthening Economic Integration

A dominant theme throughout the forum was economic resilience through regional cooperation. Chinese Vice Premier Ding Xuexiang opened the conference with a call to preserve globalization and foster high-quality connectivity through platforms like the Belt and Road Initiative and the Regional Comprehensive Economic Partnership (RCEP). With Asia now accounting for nearly half of global economic growth, several speakers emphasized that the region must lead in reinforcing open trade and investment frameworks. The RCEP, in particular, was highlighted as a stabilizing force that binds Asia more tightly amid external economic shocks and protectionist headwinds.

Strategic Dialogue in a Polarized World

Beyond economics, the forum served as a venue for quiet diplomacy. The China–U.S. sub-forum drew significant attention, as former U.S. Commerce Secretary Carlos Gutierrez and Chinese officials exchanged views on recalibrating relations. Calls for reengagement, trust-building, and avoiding zero-sum thinking echoed across sessions. Former UN Secretary-General Ban Ki-moon and other global figures stressed the need for multilateralism rooted in dialogue and shared responsibility, while representatives from ASEAN, South Asia, and the Middle East pushed for stronger South–South cooperation.

Technology, Sustainability, and the Future of Asia

Innovation and climate resilience were also front and center. In sessions on AI regulation and energy transition, participants called for regionally harmonized standards and public-private collaboration to build secure, inclusive digital economies. Multinational firms, including AstraZeneca, announced major AI and green R&D investments in China, underlining the region’s role as a testbed for future technologies. Meanwhile, Asian leaders advocated for collective responses to climate change, pandemic preparedness, and food security—issues that transcend national borders.

Conclusion

While the Boao Forum lacks the hard bargaining of traditional summits, it has become a barometer of Asia's strategic thinking. This year's discussions reflected a quiet but steady rebalancing away from dependency on Western institutions toward a more regionally anchored model of cooperation. In an age of shifting alliances and contested rules, Boao offered a glimpse of how Asia may chart its own course—through connectivity, consultation, and a commitment to shared prosperity.

7. ANALYSIS

Tariff Tsunami: U.S. Trade Offensive Sparks Global Realignments

The return of sweeping U.S. tariffs under President Donald Trump has triggered a wave of political backlash, economic anxiety, and strategic recalibration across global capitals. With the White House now enforcing a 20% blanket tariff on Chinese imports and a 25% tariff on all foreign automobiles and parts, Washington is betting that a protectionist surge will secure domestic manufacturing and energize key political constituencies. But abroad, the tariffs are being met with alarm and, increasingly, countermeasures—raising the specter of a full-scale trade war with both allies and rivals.

China: Digging in for a Prolonged Fight

For Beijing, the new tariffs are a familiar—though escalated—challenge. Chinese Vice Premier He Lifeng denounced the measures as “unfair and anticompetitive,” and in recent talks with EU Trade Commissioner Maros Sefcovic, invited Europe to join forces in resisting what China frames as U.S. economic coercion. Beijing has already imposed retaliatory tariffs on U.S. energy and agricultural goods, while state media is calling for strategic patience and a pivot toward domestic resilience and regional cooperation through RCEP and the Belt and Road Initiative.

Europe: Strategic Autonomy Put to the Test

The auto tariffs, in particular, have jolted Europe, where German and French automakers rely heavily on the U.S. market. European leaders are scrambling to assess the economic fallout, with Brussels weighing potential WTO challenges and reciprocal duties. In a notable shift in tone, Chinese officials and EU representatives have found common ground in denouncing protectionism, with recent visits by French and Portuguese foreign ministers to Beijing signaling renewed interest in economic diplomacy with China as a hedge against U.S. unpredictability.

Asia’s Export Giants on the Defensive

Japan and South Korea, two of America’s closest allies, now find themselves in Washington’s crosshairs. Japanese Prime Minister Shigeru Ishiba warned that “all options” are on the table in Tokyo’s response, as Japan’s auto-heavy export sector faces a potential GDP contraction. Seoul, meanwhile, has expressed “considerable concern” over the impact of tariffs on its semiconductor and EV battery industries. Yet both countries are also quietly expanding talks with China, indicating a subtle regional pivot driven by trade realism rather than ideology.

Repercussions Beyond Economics

Beyond the immediate trade implications, the tariffs are already reshaping diplomatic alignments and economic narratives. Countries are reassessing the reliability of the U.S. as a trading partner, while Washington's aggressive stance is fueling broader debates over industrial policy, globalization, and economic sovereignty. Multilateral institutions like the WTO face renewed strain, and the global business community is bracing for long-term supply chain disruption and inflationary pressures.

A World Adapting to an Uncertain U.S.

As tariff threats materialize into policy, the message from Washington is unmistakable: America First is back in force. But the global reaction reveals a deeper transformation. Allies and adversaries alike are recalibrating—not just in retaliation, but in recognition that the global trade order is entering a more fragmented, transactional era. Whether this leads to a reconfigured set of alliances or a deeper descent into economic nationalism remains an open—and urgent—question.

