

PGDM-IB-2021-23
Geopolitics & Risk Analysis
IB-402

Trimester IV, End-term Examinations, September 2022

Time Allowed: 2 Hrs

Max Marks: 40

SECTION A:

A1a (CO1) What are different states/state actors in geopolitics? (5 marks)

OR

A1b (CO1) What are different non-state actors in geopolitics? (5 marks)

A2a (CO2) How do offshore financial centres affect international business. (5 marks)

OR

A2b (CO2) Comment on the geopolitical and international business significance of state owned companies. (5 marks)

A3a (CO3) Discuss about cultural factors behind geopolitical risk generation (with examples). (5 marks)

OR

A3b (CO3) Provide a brief about geopolitics surrounding the 'clash of civilisations' (5 marks)

A4a (CO4) How can you evaluate geopolitical risk in the global supply chain? (5 marks)

Or

A4b (CO4) Provide ways to evaluate geopolitical risk in the financial market. (5 marks)

(Turn Over...)

SECTION B - CASE STUDY Compulsory (20 Marks)

Sri Lanka gives nod for docking of Chinese ship at Hambantota

Meera Srinivasan

India is concerned about the possibility of the ship's tracking systems attempting to snoop on its installations while being on its way to the Sri Lankan port.

Sri Lanka on Saturday cleared the arrival of Chinese space and satellite tracking vessel Yuan Wang 5 on August 16 at the southern Hambantota port, a day after New Delhi reiterated its security concerns over the vessel's arrival earlier scheduled on August 11.

Even as Colombo was put a delicate diplomatic spot, dealing with two of its close partners with competing geostrategic interests in the island, Sri Lanka's fresh approval, announced by its Ministry of Foreign Affairs in a statement, effectively points to a five-day postponement of the arrival of the Chinese ship, and a week's stop as was earlier planned.

The Ministry of Foreign Affairs said it held "extensive consultations" at a high level through diplomatic channels with "all parties" concerned, with a view to resolving the matter in a spirit of "friendship, mutual trust and constructive dialogue, taking into account the interests of all parties concerned". While the Ministry said the developments were "in light of certain concerns raised with the Ministry," it stopped short of naming India in its statement.

"Having considered all material in place, on 13 August 2022 the clearance to the Embassy of the People's Republic of China was conveyed for the deferred arrival of the vessel from 16-22 August 2022," the Ministry said, confirming the development, and the duration of the vessel to be berthed at the southern Hambantota Port.

Further, the Ministry stated that when it had cleared the scheduled visit earlier in July, it was based on the Defence Ministry's conditions that the visiting Chinese vessel's Automatic Identification System (AIS) be kept switched on within the EEZ of Sri Lanka and that no scientific research be conducted in Sri Lankan waters.

The development comes after New Delhi raised the matter with President Ranil Wickremesinghe, and made public remarks twice at the Ministry of External Affairs's weekly briefing on July 28, and more recently, on Friday. India "carefully monitors any development having a bearing on its security and economic interests", MEA spokesperson Arindam Bagchi earlier said, and on Friday "rejected insinuations" that Sri Lanka was "pressured". New Delhi's remarks came days after China asked India to "not disturb normal exchanges" between Sri Lanka and China, and termed India's security concerns over the vessel visit "senseless".

India gifts Dornier Aircraft

Meanwhile, the Indian Air force has gifted a Dornier 228 Maritime Patrol Aircraft to the Sri Lankan Air Force, and another aircraft is to be donated within two years, Sri Lanka Air Force (SLAF) has said. The aircraft is expected to be handed over in a formal ceremony on August 15, in the presence of President Ranil Wickremesinghe said. The gesture, according to the SLAF, was in response to a request made by the Sri Lankan government to India in 2018 for

two Dornier Reconnaissance Aircrafts to enhance the island's maritime surveillance capabilities.

In March this year, Sri Lanka's Ministry of Defence announced signing two maritime pacts with India, through which Sri Lanka was to receive a Floating Dock Facility and a Dornier Reconnaissance Aircraft at no cost. The agreements "will not result in hindrance or threat to the national security of Sri Lanka," the Defence Ministry then said, amid criticism from the political opposition over the apparent secrecy of the agreements, signed without any official announcement.

- Chinese vessel was to make port call at Hambantota between August 11-17 for 'replenishment'
- India raised concern at the highest level, with President Ranil Wickremesinghe
- Sri Lanka asked China to defer vessel visit
- Following extensive consultations with all parties, Colombo clears Chinese vessel visit from August 16-22

(Source: The Hindu)

B1. What could have been the reasons behind Sri Lanka allowing 'Yuan Wang 5' to be docked at Hambantota? Discuss. (CO 2) **(10 marks)**

B2. Does 'Yuan Wang 5' pose any geopolitical risk to Sri Lanka, India, and South Asia? Explain. (CO 3) **(10 marks)**