Speeches before and during US Vice President Pence’s trip to Asia (substituting for President Trump) for the annual fall round of summitry added flesh to the bones of Washington’s Indo-Pacific strategy but did little to allay concerns about an impending trade war (or worse) between the US and China. While Pence was not asking anyone to choose between Washington and Beijing, he made it abundantly clear what he thought the best choice would be. While he did not rule out a restoration of good relations with Beijing – once it started behaving itself – most Asians heard his remarks, and those from Trump and other senior officials, as signals that a China–US Cold War had already begun. Meanwhile, the administration’s preference for tariffs as the weapon of choice was seen not as a tool to bring about a “free and open Indo-Pacific” but as a sledgehammer aimed at persuading US firms to return to US protectionist shores. As the president and his team declared their love for bilateral trade deals, Asians pressed ahead with their own multilateral initiatives. Looking ahead, like it or not, the China–US relationship appears to be the dominating feature of the Indo-Pacific economic and security environment.
Mixed messages, wrong messenger

Vice President Mike Pence’s Oct. 4 speech to the Hudson Institute set the tone not only for his trip to Asia but for a redefinition or refinement of Washington’s Indo-Pacific strategy. While mostly about China, he did reassure the audience that “on behalf of the President, I will deliver the message that America’s commitment to the Indo-Pacific has never been stronger.” The irony inherent in this message was not lost on the international press or among those he visited: if the commitment had never been stronger, why wasn’t it being delivered by the president himself?

Figure 1 US Vice President Mike Pence delivers his Oct. 4 speech at the Hudson Institute. Photo: Hudson Institute

It is not unusual for senior US officials in advance of an overseas trip to lay out their harshest message in advance, which allows them to then put on a kinder and gentler face during the visit. Pence only partially followed this guide. He pulled no punches in his Hudson speech, asserting that “China wants nothing less than to push the United States of America from the Western Pacific and attempt to prevent us from coming to the aid of our allies,” further claiming that “China has chosen economic aggression, which has in turn emboldened its growing military” as “China uses so-called ‘debt diplomacy’ to expand its influence.”

His message in Asia was by most accounts more nuanced. In his prepared remarks at the East Asia Summit (EAS) in Singapore, Pence noted that “The United States seeks a relationship with China that is based on fairness, reciprocity, and respect for sovereignty. We have documented the difficulties that the United States and other nations face with China, and China knows where we stand.” He was still very direct when it came to the South China Sea – “Let me be clear: China’s militarization and territorial expansion in the South China Sea is illegal and dangerous. It threatens the sovereignty of many nations and endangers the prosperity of the world.” – but expressed optimism that “progress could be made” at the then-impending Trump–Xi meeting along the sidelines of the Argentina G20 meeting. (Details on this summit and the broader China–US relationship can be found in the US–China chapter.)

Pence’s harshest words at the EAS were reserved for Myanmar, decrying “the slaughter and persecution by Myanmar’s security forces and vigilantes.” (See the US–ASEAN chapter for details of Pence’s tit–for–tat with Aung San Suu Kyi.) Nonetheless, Pence assured Southeast Asians that “ASEAN is at the center of our Indo-Pacific strategy. The nations of Southeast Asia have a pre-eminent role to play in regional affairs, and the United States is proud of our 41–year strategic partnership with ASEAN.” This echoed the previously reported message (last Regional Overview) from both Secretary Pompeo and Defense Secretary Mattis about “ASEAN centrality.”

Message heard and (regrettably) received

Like the aforementioned internationalists, Pence also repeated Washington’s commitment to its Asian security allies. Such remarks are held hostage, however, to presidential tweets that openly question the value of US alliances or seemingly hold them for ransom. Regrettably, the one message read loud and clear during this reporting period was Secretary Mattis’ resignation letter after Trump’s announced Syria pullout (now seemingly modified or on hold) in which he contrasted his own views on the value of US alliances with those of the president. This letter spoke louder than all of Pence’s reassuring words.

We would be remiss if we failed to mention one other mixed (or mixed–up) message that was recently clarified and should have been clearly received in Washington. Ever since the Trump–Kim Jong–Un summit in Singapore in June, Secretary Pompeo has been claiming some (admittedly unspecified) degree of progress when it comes to “North Korea denuclearization.” We have been among the chorus of Pyongyang watchers who have cautioned that there is a huge difference between Korean Peninsula denuclearization (which Kim agreed to “work toward” in Singapore) and North Korean...
In a Dec. 20 KCNA commentary, Pyongyang removed any element of doubt regarding Washington’s “misguided” understanding:

The June 12 DPRK-U.S. joint statement signed by the top leaders of both sides and supported by the whole world does not contain any phrase called ‘denuclearization of north Korea.’ It only contains the phrase ‘denuclearization of the Korean peninsula.’ . . . When we refer to the Korean peninsula, they include both the area of the DPRK and the area of south Korea where aggression troops including the nuclear weapons of the U.S. are deployed ... the denuclearization of the Korean peninsula, therefore, means removing all elements of nuclear threats from the areas of both the north and the south of Korea and also from surrounding areas from where the Korean peninsula is targeted.

Pyongyang also made it clear that such steps had to occur in advance of any discussion on the North actually giving up its nuclear arsenal. Kim seems to believe, based on his conversation with Trump and his analysis of his tweets and comments about the value of the alliance, that the US president would be more receptive to his arguments than Secretary Pompeo or his designated representatives have been. Hence Pyongyang’s insistence on a second Kim-Trump summit.

**APEC goes off the rails**

The antagonism that animates US-China relations was on full display at the November Asia Pacific Economic Cooperation (APEC) Economic Leaders Meeting that was held in Port Moresby, Papua New Guinea. There, Vice President Pence and President Xi traded accusations in their speeches, with Pence alleging that China engaged in intellectual property theft, forced technology transfers, and unfair trade practices. Pence said that “China has taken advantage of the United States for many, many years and those days are over.” He went on to accuse China of drowning its aid recipients in “a sea of debt,” noting that “The terms of those loans are often opaque at best. Projects they support are often unsustainable and of poor quality. Too often, they come with strings attached and lead to staggering debt ...”

Xi countered that the world must choose between cooperation and confrontation, the institutionalism of the postwar order or unilateral protectionism. Speaking to the group, Xi argued that all differences could be bridged “through consultation,” warning that “History has shown that confrontation, whether in the form of a cold war, a hot war or a trade war, will produce no winners.” China’s Foreign Ministry specifically responded to Pence’s comments with spokeswoman Hua Chunying asserting that “Not a single developing country has been mired in debt difficulties because of its cooperation with China. On the contrary, their cooperation with China has helped them enhance their capacity for self-driven development and improved their people's livelihood.”
Chinese negotiators feared referred to them. The differences descended into farce when it was later reported that local police had to be called when Chinese officials attempted to barge into the office of the PNG foreign minister to force changes to the draft. Chinese officials denied any such acts occurred.

While the APEC breakdown worried many, it also prompted hope that a meeting between Xi and Trump at the G20 summit a few weeks later in Buenos Aires would give the top leadership a chance to put things right. They did reach a tentative ceasefire in the trade war, capping tensions and giving negotiators time to put the economic relationship on a more stable footing.

**CPTPP sets the pace**

The Comprehensive and Progressive Trans-Pacific Partnership (CPTPP, sometimes referred to as the TPP-11) the successor to the Trans-Pacific Partnership, which Trump withdrew the US from during his first week in office, officially entered into force Dec. 30 for the first six countries to ratify the agreement: Australia, Canada, Japan, Mexico, New Zealand, and Singapore. The six became seven on Jan. 14, when it went into force in Vietnam, and will include Brunei, Chile, Malaysia, and Peru 60 days after each completes its own domestic ratification process. Trump’s hope that US withdrawal would torpedo the deal proved groundless: the remaining 11 governments resumed negotiations with renewed fervor, concluding an agreement in January of this year and signing the final accord in March. The resulting deal accounts for 13.4 percent of the global GDP (about $13.5 trillion), making the CPTPP the world’s third largest free trade area (by GDP) after NAFTA and the EU.

Tariff cuts have already commenced, and Australia, Canada, Mexico, New Zealand, and Singapore implemented a second round on Jan. 1, 2019; Japan’s second round of reductions will occur on April 1. Those cuts have nonmembers concerned, as is noted in the chapter on US-Japan relations. Countries that are not members of the agreement are now threatened with higher tariffs on their products than are CPTPP members: US exporters, especially farmers and ranchers that have enjoyed access to Japan’s market at reasonably favorable tariff rates are now going to be taxed at a higher rate, disadvantaging their products. And while the US has promised to pursue bilateral deals that will ease that pain, Japanese officials have insisted that they will hold the line on tariff cuts with the US to those agreed in the CPTPP.

The deal is appealing. Colombia, Indonesia, Thailand, South Korea, the Philippines and Taiwan are reportedly considering joining the CPTPP, and even China is said to be discussing membership. Abe has offered Britain the option of joining, which London is also reportedly considering (although its trade negotiators – such as they are –already have their hands full with Brexit).

CPTPP isn’t the only big trade deal of the year. Japan and the EU concluded negotiations on their Economic Partnership Agreement last year, signing the final accord last summer. The EU Parliament adopted the EPA on Dec. 12, four days after the Diet ratified the accord. The EPA will go into effect on Feb. 1, eliminating tariffs on 94 percent of imports from the EU and 99 percent of Japan’s exports to the EU.

**RCEP trudges along**

In contrast to the heady accomplishments of CPTPP, the Regional Comprehensive Economic Partnership (RCEP) agreement continues to trundle along. Hopes that it would be concluded in 2018 were dashed; most reports blame India for the holdup. Nevertheless, negotiators remain optimistic that 2019 will prove to be the year that a deal – which would be the largest trade agreement since the conclusion of the Uruguay Round of trade negotiations in 1994, with its 16 members accounting for 25 percent of global GDP, 45 percent of its total population, 30 percent of global income and 30 percent global trade – would be concluded.

Progress was made in 2018, however: On Oct. 13, the sixth RCEP Intersessional Meeting was held in Singapore, at which stock was taken and discussion focused on political issues. The 24th round of negotiations followed in New Zealand from Oct. 18-27. An RCEP summit was part of the ASEAN–related meetings that convened in Singapore in mid-November. There, Lee Hsien Loong, prime minister of Singapore and meeting chair, declared that substantial progress had been made in talks – seven chapters have been concluded: Economic and Technical

Unmixed message (for now)

Whether or not you agree with Trump’s tariff-driven economic hardball approach toward Beijing or the Pentagon’s branding of “major power competition” as the greatest threat facing the US, it must be said that, perhaps for the first time in the past two years, the president and his national security team (and especially Secretary Pompeo and National Security Advisor John Bolton and presumably whoever comes next to lead the Pentagon) are largely in sync. As we noted when the 2017 National Security Strategy and 2018 National Military Strategy documents were released, there was a disconnect between the official documents’ description of China as the primary threat (along with Russia) to US security interests and Trump’s rollout of the NSS report where he boasted about his great friendship with President Xi (and desire for closer ties with Putin).

Today the administration is speaking with one voice regarding China and it’s one that is largely echoed in the Congress and by the national security establishment. While there may be disagreement about Trump’s bedside manner, there is broad consensus that his diagnosis is largely correct: China poses the greatest economic and security challenge to the US and the softer approaches followed by Trump’s (Democratic and Republican) predecessors have been interpreted in Beijing not as sincere gestures of cooperation but as weakness to be exploited. Trump has now clearly put the ball in Xi’s court to halt its predatory practices and deliver on long-promised economic reforms or suffer real consequences. Meanwhile, the message from the Pentagon, the NSC, and Foggy Bottom (at least under Pompeo) has been clear and consistent from the start. But what happens if/when Beijing makes some grand (even if hollow or empty) gesture that Trump can proclaim as a “victory on the trade front”?

Expect an answer to that vital question in the opening months of 2019.
REGIONAL CHRONOLOGY

SEPTEMBER – DECEMBER 2018

Sept. 4, 2018: US Vice President Mike Pence calls on Myanmar’s government to reverse a court ruling that imprisoned two Reuters journalists for seven years and to release them immediately.

Sept. 5, 2018: Chung Eui-yong, head of South Korea’s Presidential National Security Office, leads a five-member delegation to Pyongyang, where they meet senior officials including Chairman Kim Jong Un.

Sept. 6, 2018: US charges North Korean programmer Park Jin Hyok for global hacking incidents including the WannaCry 2.0 virus, the 2014 Sony Pictures attack, and the 2016 cyber-heist of Bangladesh’s central bank. The Justice and Treasury Departments say Park was part of the “Lazarus Group” that masterminded hacks “on behalf of the government of North Korea or the Workers’ Party of Korea.”

Sept. 6, 2018: US Secretary of State Mike Pompeo and Secretary of Defense James Mattis and Indian Minister of External Affairs Sushma Swaraj and Minister of Defense Nirmala Sitharaman meet in New Delhi to conduct the first US-India 2+2 Dialogue.

Sept. 7, 2018: Myanmar’s government “resolutely rejects” a ruling by the International Criminal Court (ICC) that said the body has jurisdiction over alleged deportations of Rohingya Muslims to Bangladesh as a possible crime against humanity.

Sept. 7, 2018: North Korea and South Korea ask the United Nations to circulate a peace declaration their leaders agreed to in April that vows to remove nuclear weapons from the Korean Peninsula and work toward a formal end to the Korean War.

Sept. 9, 2018: North Korea holds a massive military parade to celebrate the country’s 70th year, but does not include any intercontinental ballistic missiles. President Trump tweets, “This is a big and very positive statement from North Korea. Thank you to Chairman Kim. We will both prove everyone wrong! There is nothing like good dialogue from two people that like each other! Much better than before I took office.”

Sept. 10, 2018: White House announces that it is in talks with North Korea to arrange a second summit after President Trump received a “warm, very positive letter” from Chairman Kim.

Sept. 11–13, 2018: Fourth Eastern Economic Forum (EEF) is held in Vladivostok. Participants include heads of five states and governments: Russia’s President Vladimir Putin, China’s President Xi Jinping, Mongolia’s President Khaltmaagin Battulga, Japanese Prime Minister Abe Shinzo, and South Korean Prime Minister Lee Nak-yeon.

Sept. 11–17, 2018: Russia conducts Vostok-2018 military exercises, involving nearly 300,000 soldiers, 1,000 aircraft and 900 tanks and 3,200 troops from the PLA.

Sept. 13–16, 2018: Japan’s Maritime Self-Defense Force conducts a “practical” anti-submarine drill in the South China Sea, including an exercise to spot enemy submarines with sonar devices.

Sept. 14, 2018: North and South Korea open liaison office in Kaesong, setting up a permanent channel of communication that is described as “a large step toward peace, prosperity and unification of the Korean peninsula.”

Sept. 18–20, 2018: President Moon Jae-in and Chairman Kim Jong Un hold their third inter-Korean summit in Pyongyang. They sign a joint statement pledging to create “a land of peace without nuclear weapons or nuclear threats” and set out steps for economic integration.
Sept. 20, 2018: Department of State announces that the US will immediately impose sanctions on China for purchasing Russian military hardware in breach of the Countering America’s Adversaries Through Sanctions Act (CAATSA), which decrees imposition of mandatory economic sanctions on countries importing Russian military hardware.

Sept. 24, 2018: US tariffs on $200 billion worth of Chinese goods and retaliatory taxes by Beijing on $60 billion worth of US products including liquefied natural gas (LNG) are implemented. China accuses the US of “trade bullyism.”

Sept. 25, 2018: China cancels scheduled port visit of the USS Wasp, an amphibious assault ship, to Hong Kong, and cuts short a visit to the US by commander of the PLA Navy, Vice Adm. Shen Jinlong.

Sept. 25, 2018: Ji Chaoqun, a US Army reservist from China, is arrested in Chicago on charges of secretly providing information about US defense contractor employees to a Chinese intelligence officer. Ji’s handler, an officer in China’s Ministry of State Security’s Jiangsu branch, was arrested in April.

Sept. 25–Oct. 1, 2018: General debate of the 73rd UN General Assembly is held in New York. Several leaders from the Indo-Pacific region attend and meet on the sidelines.

Sept. 27, 2018: Disagreement emerges at a UN Security Council meeting with the US calling for strict enforcement of UNSC resolutions on North Korea while China and Russia call for a provision to “modify the sanctions measures in light of the DPRK’s compliance” and “to send a positive signal to Pyongyang to encourage concessions.”

Sept. 30, 2018: US Navy carries out a freedom of navigation operation (FONOP) in the Spratly Islands as the USS Decatur, a guided-missile destroyer, sails within 12 nm of Chinese artificial islands at Gaven and Johnson Reefs as part of a 10-hour patrol.

Sept. 30, 2018: Soldiers from South and North Korea begin removing landmines located along part of the Demilitarized Zone (DMZ) as agreed in a recent military-military accord. Mine removal will focus on the Joint Security Area in Panmunjom.


Oct. 2, 2018: North Korea’s KCNA states that declaring the end of the 1950–53 Korean War “can never be a bargaining chip” for getting North Korea denuclearized, and said the country “will not particularly hope for it” if the United States does not want the end of war.

Oct. 2, 2018: Chinese Foreign Ministry announces that the US–China Diplomatic and Security Dialogue, which was to take place later in October, has been postponed at the request of the US.

Oct. 3, 2018: Cybersecurity firm FireEye releases a report that identifies an “elite” group of North Korean hackers, dubbed APT38, whose cyberattacks have netted “hundreds of millions” of dollars. Funds from global bank heists since 2014 have supported the North Korean regime.

Oct. 4, 2018: Vice President Pence delivers remarks on the Trump administration’s policy toward China at Hudson Institute.

Oct. 4–7, 2018: Japan’s MSDF conducts a joint exercise with the Sri Lankan Navy in the Indian Ocean. The drill allows MSDF to share know-how on rescue operations and humanitarian assistance, and strengthen ties with Sri Lanka as part of its Indo-Pacific strategy.

Oct. 5, 2018: President Putin and Prime Minister Narendra Modi meet in New Delhi for annual India–Russia summit.

Oct. 6–8, 2018: Secretary of State Pompeo travels to East Asia with stops in Tokyo, Pyongyang, Seoul, and Beijing. He meets counterparts and heads of state to “reiterate the Administration's continued focus on the final, fully verifiable, denuclearization of the DPRK, and longstanding commitment to our alliances and partnerships in the region.”

Oct. 7–15, 2018: Third Japan–India Maritime Exercise (JIMEX) is held in Visakhapatnam; the last iteration was in December 2013. The exercise is designed to improve understanding and interoperability between the two navies.
Oct. 9, 2018: Deputy division director of China’s Ministry of State Security is arrested in Belgium and extradited to the US. He is charged with attempting to steal trade secrets from US companies including GE Aviation.

Oct. 9, 2018: Prime Minister Abe hosts 10th Mekong-Japan Summit Meeting in Tokyo; leaders of five Mekong countries – Cambodia, Laos, Myanmar, Thailand, and Vietnam – attend.

Oct. 9, 2018: During bilateral talks with Myanmar’s leader Aung San Suu Kyi, Prime Minister Abe pledges support to aid the repatriation process for Rohingya refugees to Myanmar.

Oct. 10, 2018: Sri Lankan Prime Minister Ranil Wickremesinghe’s office rejects US claim that China will develop Hambantota Port into a “forward military base”; he asserts that the Sri Lankan Navy’s Southern Command is being relocated there “to control port security.”

Oct. 11, 2018: Inaugural ASEAN Leaders’ Gathering, hosted by Indonesian President Joko Widodo, is attended by leaders of Southeast Asian nations and the IMF, World Bank and UN.

Oct. 11, 2018: Philippine President Rodrigo Duterte meets Vietnamese Prime Minister Nguyen Xuan Phuc in Indonesia to discuss delineation of maritime boundaries. They agree to establish maritime territories “to achieve shared goals for stability in the region.”

Oct. 15, 2018: North and South Korean reunification officials meet in Panmunjom and agree “to begin reconnecting rail and road links.”

Oct. 16, 2018: Officials from North and South Korea and the United Nations Command (UNC) hold first three-way talks to plan for demilitarizing the border between the two Koreas.

Oct. 16, 2018: KCNA accuses the US of threatening inter-Korean negotiations by not loosening sanctions against the state, despite progress in reunifying the two Koreas.

Oct. 18–19, 2018: Twelfth Asia-Europe Meeting (ASEM) is held in Brussels. Leaders from Europe, Asia, the EU and ASEAN discuss “Europe and Asia: Global Partners for Global Challenges.”

Oct. 18–20, 2018: Fifth ASEAN Defense Ministers Meeting (ADMM-Plus) convenes in Singapore. Territorial disputes in the South China Sea are a focus of discussion, as well as disaster relief, maritime research, and antiterrorism efforts.

Oct. 20, 2018: Eight countries, including the US and China, express “in-principle” support for nonbinding Guidelines on Air Military Encounters in a joint statement that emerged from the ADMM-Plus. The multilateral air code is hailed as the first of its kind, and will help reduce tensions between the US and China in the South China Sea.

Oct. 22, 2018: Two US warships transit the Taiwan Strait during a “routine” operation to demonstrate the US’ “commitment to a free and open Indo-Pacific.”

Oct. 22–28, 2018: ASEAN navies conduct their first joint exercises with China off Zhajiang in the South China Sea, in an effort to “enhance friendship and confidence.” Singapore, Brunei, the Philippines, Thailand, and Vietnam send ships, while Cambodia, Indonesia, Malaysia, and Myanmar send observers. The exercises include maritime safety, medical evacuation, and search and rescue operations.

Oct. 25, 2018: Soldiers from North and South Korea, along with the US-led UNC, remove guns and guard posts from the Joint Security Area in Panmunjom, signaling progress in the inter-Korean talks as they work to disarm their border.

Oct. 25–27, 2018: Prime Minister Abe travels to Beijing to meet President Xi Jinping and other officials for the first bilateral visit by a Japanese prime minister in more than seven years.

Oct. 28–29, 2018: Prime Minister Modi visits Tokyo and meets Prime Minister Abe for the 13th India-Japan Annual summit.

Oct. 29–30, 2018: US Special Representative for North Korea Stephen Biegun visits Seoul to meet South Korean officials. US and South Korea announce the launch of a joint working group in November to coordinate strategy toward North Korea.

Oct. 30, 2018: South Korea’s Supreme Court upholds a 2013 ruling that ordered a Japanese steelmaker to pay reparations to four South Koreans who were victims of forced labor and unpaid work during Japan’s colonial rule of the Korean Peninsula.

Oct. 31, 2018: North Korea Vice Foreign Minister Sin Hong-chol leads a delegation to Moscow to mark the 70th anniversary of the DPRK–Russia agreement on economic and cultural cooperation. The two countries pledged for closer ties on this occasion.

Nov. 1–14, 2018: First joint military exercises between the armies of India and Japan take place in Northeast India, and focus on counter-terrorism cooperation.

Nov. 6, 2018: Malaysian Prime Minister Mahathir Mohamed and Prime Minister Abe agree to $1.8 billion in “samurai bonds” that Japan will issue to Malaysia over 10 years and agree to cooperate on Malaysian infrastructure projects and regional security issues.

Nov. 6, 2018: Secretary of State Pompeo meeting in New York with North Korean Kim Yong Chol is abruptly canceled.

Nov. 9, 2018: Secretary of State Pompeo and Secretary of Defense Mattis meet China’s Director of Foreign Affairs Yang Jiechi and Defense Minister Gen. Wei Fenghe for the second US–China Diplomatic and Security Dialogue.

Nov. 11–15, 2018: The 33rd ASEAN Summit and other ASEAN–related meetings are held in Singapore. Thailand will assume the ASEAN chairmanship on Nov. 15.

Nov. 12, 2018: Vice President Pence meets Prime Minister Abe in Tokyo.

Nov. 14–15, 2018: The 13th East Asia Summit (EAS) is hosted in Singapore by Prime Minister Lee Hsien Loong.

Nov. 15–16, 2018: President Xi visits Port Moresby, marking the first–ever Chinese presidential visit to Papua New Guinea. Xi meets leaders of eight Pacific Island countries that have joined or are strongly considering joining China’s Belt and Road Initiative.

Nov. 17–18, 2018: The 26th Asia Pacific Economic Cooperation (APEC) Economic Leaders’ Meeting is held in Port Moresby, Papua New Guinea.

Nov. 18–19, 2018: President Xi visits Brunei to meet Sultan Hassanal Bolkiah.

Nov. 20–21, 2018: President Xi meets President Rodrigo Duterte in Manila, in the first official visit to the Philippines by a Chinese president in 13 years.

Nov. 25, 2018: The coast guards of the Philippines and Japan conduct a joint maritime exercise off the coast of Manila, with drills focusing on antipiracy and rescue operations.

Nov. 26, 2018: Guided–missile cruiser USS Chancellorsville conducts a freedom of navigation operation in the South China Sea by sailing near the Paracel Islands. A Chinese vessel shadowed the Chancellorsville as it sailed past the islands, but all interactions “were deemed safe and professional,” according to anonymous US officials.

Nov. 28, 2018: Two US Navy ships, the USS Stockdale and USNS Pecos, make a “routine” transit of the Taiwan Strait, the third to be conducted there this year.

Nov. 29, 2018: South Korea’s Supreme Court orders Mitsubishi Heavy Industries to compensate 10 South Koreans for wartime forced labor during World War II. Japanese Foreign Minister Kono Taro calls the ruling unacceptable as the Japanese government considers the issue to have been resolved in a 1965 treaty to normalize diplomatic relations between the two countries.

Nov. 30, 2018: North and South Korea begin an 18–day joint inspection of two railways in the North, preliminary measures to reconnect cross–border rail lines.

Nov. 30, 2018: China makes official diplomatic protest against the US in response to the Nov. 26 FONOP near the Paracel Islands.
Nov. 30–Dec. 1, 2018: G20 Leaders’ Summit is held in Buenos Aires.

Nov. 30, 2018: Russian President Vladimir Putin, President Xi, and Indian Prime Minister Modi meet for “the first leaders-level summit between their three countries in 12 years,” on the sidelines of the G20 Leaders’ Summit. The three countries have met in recent years on the foreign ministers-level, as well as in the context of BRICS.

Nov. 30, 2018: President Donald Trump, Prime Minister Abe, and Prime Minister Modi meet on the sidelines of the G20 Leaders’ Summit.

Dec. 1, 2018: Presidents Trump and Xi meet on the sidelines of the G20 Leader’s Summit and the US agrees to not increase tariffs on Chinese goods from 10 to 25 percent for 90 days, during which it hopes to reach an agreement with China to balance their trade relationship.


Dec. 4, 2018: Singapore lodges an official protest against the Malaysian government for extending the port limits of Johor Bahru, thus impeding Singapore's territorial waters off Tuas.

Dec. 10, 2018: US announces sanctions against three North Korean officials, including an aide close to Kim Jong Un, for human rights abuses and censorship.

Dec. 11, 2018: US returns the Bells of Balangiga to the Philippines after their removal from the Church of San Lorenzo de Martir following a violent episode between US forces and Filipino revolutionaries over 100 years ago.

Dec. 12, 2018: North and South Korean soldiers cross the MDL to verify the removal of each other’s guard posts. Each side has removed 11 posts inside the DMZ, with about 50 South Korean posts and 150 North Korean posts remaining.

Dec. 13–16, 2018: Russia and India’s navies participate in Indra Navy 2018, the 10th iteration of the bilateral Russia-India naval exercises, in the Bay of Bengal.

Dec. 17, 2018: Malaysia’s Attorney General files criminal charges against three Goldman Sachs employees for attempting to embezzle $2.7 billion from the state fund 1Malaysia Development Berhad (1MDB).

Dec. 18, 2018: Indonesia opens a military base in the Natuna Islands on the southern edge of the South China Sea. The base is supported by an army battalion, companies of marines and engineers, artillery, and a hangar for an unmanned aerial vehicle squadron.

Dec. 19, 2018: Japanese diplomats in Moscow lodge official protest against Russia for building four military barracks on the islands Etorofu and Kunishiri, two of the four islands north of Hokkaido whose territory is disputed between the countries.

Dec. 19–22, 2018: US Special Representative for North Korea Stephen Biegun travels to Seoul to meet South Korean counterpart Lee Do-hoon and other officials for a US–ROK working group meeting to improve coordination regarding North Korea.

Dec. 20, 2018: US Department of Justice indicts two Chinese citizens for hacking US businesses and government agencies for sensitive information. The hackers are members of the group APT 10, or “cloudhopper,” which Justice officials link to China’s Ministry of State Security, underscoring China’s violation of a 2015 agreement to not engage in “state-sponsored hacking for economic gain.”

Dec. 20, 2018: Secretary of Defense Mattis resigns from his post, citing fundamental disagreements with President Trump on security issues.

Dec. 21, 2018: US agrees to exempt the ban on industrial material transfers to North Korea to facilitate continued progress of the inter-Korean rail project that would connect rail lines between the North and South.
Dec. 24, 2018: US Federal Court judge orders North Korea to pay $501 million in damages to the parents of Otto Warmbier for the “barbaric mistreatment” that led to his death shortly after his return to the United States in June 2017.

Dec. 28, 2018: South Korea’s Unification Ministry acknowledges that personal information of 997 North Korean defectors living in South Korea had been leaked earlier in the month, when a computer at the Hana Center in North Gyeongsang Province was hacked.


Dec. 31, 2018: US President Trump signs the Asia Reassurance Initiative Act (ARIA), authorizing $1.5 billion a year from 2019 to 2023 to “develop a long-term strategic vision and a comprehensive, multifaceted, and principled United States policy for the Indo-Pacific region.”