

# COMPARATIVE

## CONNECTIONS

A TRIANNUAL E-JOURNAL OF BILATERAL RELATIONS IN THE INDO-PACIFIC

REGIONAL OVERVIEW

# FREE AND OPEN, BUT NOT MULTILATERAL

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We are focusing on regional trade and economics because it's important to look at the consequences of the current US administration's antipathy toward multilateral trade agreements. Beijing has shown no such hesitancy, with President Xi Jinping hosting visitors from more than 100 different countries (including 37 heads of state) at his Second Belt and Road Initiative (BRI) International Forum. Ships from 19 different navies (but not the US or France) participated in a naval flotilla commemorating the 70<sup>th</sup> anniversary of the Peoples' Liberation Army Navy (PLAN). One area where Washington might actually embrace a multilateral agreement would be a follow-on to the soon-to-be defunct Intermediate Range Nuclear Forces (INF) Treaty but only if it involves, among others, China.

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#### Bilateral vs multilateral; a false choice?

A cornerstone of the Trump administration's foreign policy is a deep suspicion of, if not outright hostility toward, multilateral agreements. Upon taking office, the US withdrew from the Trans-Pacific Partnership. shortly after that the Paris climate accord, and a year later the Joint Comprehensive Plan of Action (JCPOA), the deal that capped Iran's nuclear program. The logic appears to rest on several mutually reinforcing pillars. Trump seems personally convinced that no one can negotiate as well as he can and as a result all other deals are suboptimal for the US. More widespread in administration circles is the belief that, since the US is the world's biggest economy and has the world's most formidable military, it should prevail in every negotiation. Added to this is the general antipathy among many hardline conservatives, the secretary of State and national security advisor among them, that all treaties are suspect since they limit US options. While the administration continues to argue that "America first" does not mean "America alone," the above actions have undermined that narrative.

The first four months of 2019 have been a reality check for the administration, at least as far as trade talks go. Many of the administration's vaunted achievements have proven to be, in the precise language of social science, a "big nothing burger." In addition, there is a rising complaints chorus of from various constituencies, farmers perhaps loudest, charging that trade policies are hurting, rather than helping them.

#### Less than advertised

The first administration accomplishment was reform of the Korea-US Free Trade agreement (KORUS), which was concluded a year ago. Heralded as a "historic" negotiation, the resulting changes proved "so insignificant that apparently neither the administration nor Congress think that Congress needs to sign off on them."

The administration then turned to NAFTA, a deal that Trump dismissed as the "worst trade deal ever." After a year of negotiations, the three countries concluded what the administration then <u>lauded</u> as "the most modern, up-to-date and balanced trade agreement in the history of

our country." Perhaps, but analysis of the deal, released late in April offers a sobering and considerably more refined assessment. The International Trade Commission touted the 0.35% gain in GDP that will occur when the United States, Mexico, Canada Agreement (the USMCA, or new NAFTA) goes into effect, but it omitted any mention of when those benefits accrue. Statistical sleuthing revealed that the bump occurs over 16 years: the annual gain is just .02%, "an increment that would be essentially invisible."

#### The cows come home to roost

Then there are the ripple effects of withdrawal from TPP. Critics may have hoped that ending US participation in the deal would kill it, but the remaining 11 countries soldiered on without Washington and concluded a new agreement, the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), that went into effect Dec. 30, 2018. Japan also concluded a trade agreement with the European Union, the EU-Japan Economic Partnership Agreement, which entered into force Feb. 1, 2019.

As a result of these deals, Japan and its biggest trade partners have cut tariffs and expanded market access. For example, CPTPP exports of beef to Japan now face tariffs of 26.6% with more reductions to come; US beef is slapped with a 38.5% tariff. And if frozen beef imports to Japan exceed a threshold, then a safeguard tariff of 50% kicks in - on non-CPTPP beef (i.e., that of the US). US agricultural producers are demanding that the administration help safeguard their market share in Japan. More than 100 agricultural groups called on US Trade Representative Robert Lighthizer and Congress to reconsider joining CPTPP, noting that "American food and agricultural producers and companies are facing significant barriers in these markets that could be addressed with the improved rules and higher standards through re-engagement with the TPP countries."

Thomas Donohue, president of the US Chamber of Commerce <u>warned</u> that growing trade between Japan and the countries with which it has new agreements has meant "lost sales for Americans." He added that "It's imperative that we act quickly so that our workers, farmers, and companies are not stuck on the outside, looking in." US Wheat Association President Vince Peterson was also <u>chafed</u>, noting that "Japan is

generally a market where we seek to maintain our strong 53% market share, but today we face an imminent collapse."



Figure 1 Japanese buyers examine US beef at FOODEX. Photo: BEEF Magazine

Cattle ranchers are also beefing, worried that exports to Japan, the top export market for US beef with nearly \$2 billion in sales in 2017, is threatened by the CPTPP. Kevin Kester, president of the National Cattlemen's Beef Association, complained that "The US beef industry is at risk of losing significant market share in Japan unless immediate action is taken to level the playing field." Japan's beef imports jumped 25% in the first two months of 2019 compared to the previous year, with the biggest gain coming from CPTPP member producers. US sourced imports increased, but not as much: January beef imports from the US were up 21% from the previous year, but its share of Japan's imported beef shrank 6 percentage points. US officials acknowledge that pain is coming; US Representative Robert Lighthizer conceded that the market situation in Japan is "going to get bad very quickly."

US Ambassador to Japan William Hagerty chided Japan for these developments, noting that "By implementing these agreements before addressing our bilateral trade relationship, Japan is effectively redistributing market share away from its strongest ally, the United States." Washington Post economics columnist Catherine Rampell captured the irony (if that is the word) of this criticism, noting it is equivalent to saying "what a jerk you were to let me dump you!"

#### National security means war!

Another international trade development deserves mention here even though it doesn't fall strictly within the purview of the Regional Overview (or perhaps even *Comparative Connections*) – but will certainly impact US trade

policy toward the region. On April 26, the World Trade Organization (WTO) ruling on Article XXI, the "national security clause," of the General Agreement on Tariffs and Trade, the WTO's rule book, became final. Article XXI allows a government to ignore its free-trade obligations "for the protection of its essential security interests . . . in time of war or other emergency in international relations."

The decision in a case between Russia and Ukraine was the first ruling on Article XXI, and addressed the question of when and how a government could invoke "national security" to avoid WTO scrutiny of its policies. Russia argued that it could block the transit of Ukrainian goods through Russian territory to Kazakhstan and Kyrgyzstan, cutting them off from Central Asian markets. Russia insisted that the two countries were in a conflict that justified trade restrictions, and as a result, the national security dimension was obvious.

The Moscow government argued that its claim to be acting in behalf of "national security" was not justiciable, i.e., beyond review or second guessing, by the WTO. Several others, including the Trump administration, concur with that interpretation. The WTO panel disagreed, ruling that while every member could define its national security interests, the WTO could also review whether the claim is justified. It concluded that the current state of Russia-Ukraine relations "constitutes an emergency in international relations" and that "Russia has met the requirements for invoking" the national security clause of WTO rules.

The panel set a high bar for invoking that claim, however. It decided that "an emergency in international relations" would "refer generally to a situation of armed conflict, or of latent armed conflict, or of heightened tension or crisis, or of general instability engulfing or surrounding a state." That makes a great deal of sense: if it were too easy to make that claim, governments would do it willy-nilly to escape WTO review of protectionist policies.

The decision matters to Comparative Connections readers because the Trump administration instinctively uses national security to justify its trade sanctions on Asian trade partners. President Trump has imposed tariffs on steel exports, insisting that "if you don't have steel, you don't have a country." The same logic is being mooted to justify a 25% tariff on all auto

imports into the US. Turkey has challenged that move at the WTO and other governments, including some Asian trade partners, are considering similar steps. The ruling in the Ukraine case suggests that the US assertion of national security is too far-removed from actual national security considerations to be respected. That sounds like a victory for the rules-based international order, but it may prove to be anything but if it so infuriates Washington that it pulls out of the WTO.

#### China tightens its Belt and Road



Figure 2 A floral installation welcoming the Belt and Road Forum in Beijing. Photo: The Economist

China held its second Belt and Road Forum at the end of April to bask in the glory of a project whose size and scale truly captures the ambition of Xi Jinping's China. As much was clear when China's supreme leader launched the Belt and Road Initiative (BRI) in 2013 by associating it with revival of the Silk Road, the ancient trade route that linked Asia to the Middle East and Europe, then the entirety of the world. BRI is now viewed as a 21st-century Marshall Plan, the means by which China is extending its influence throughout the world.

Were it so simple. Yes, the Second Belt and Road Initiative International Forum was a success, with 37 heads of state in attendance and more than 100 countries represented. China says that some 5,000 people from 150 countries and about 90 international organizations attended the forum, more than \$64 billion of deals were concluded, and parties reached 83 pragmatic outcomes, including intergovernmental cooperation agreements, cooperative projects, and the launch of multilateral cooperation platforms. More than 1,800 projects are said to be underway.

But there is no missing the steady pushback against BRI, as complaints mount about the

terms of its projects, in particular the risk of "debt traps" as countries are forced to accept unsustainable terms for their loans. Several governments have either pulled out of, or demanded renegotiation of the terms of, their agreements. Green groups argue that despite rhetoric of promoting sustainable projects, BRI ignores environmental damage and promotes fossil fuels rather than "green technologies."

While Xi, the CCP, and project recipients were celebrating their successes at the Beijing Forum, there is no mistaking the slightly chastened mood of the proceedings. Xi himself acknowledged that "We must adhere to the concept of openness, greenness, and cleanliness." He also pledged to ensure that developing countries do not borrow too much, to promote green projects, and to increase transparency in BRI deals.

Finally, for all the hype surrounding BRI, it is important not to hyperventilate. In addition to the reaction against Chinese overreach, much of the breathless attention to the initiative is lacking in historical perspective. First, the claim that BRI is a new Marshall Plan is false. The amount of BRI investment appears to be 12 times that spent by the US at the end of World War II – even adjusted for inflation – but when viewed as a percentage of GDP, the trillion dollars that China says it will spend on BRI over the life of the project is the same amount that the US spent in 1947 alone. (Thus far, China has spent just \$200 billion over six years and the trillion dollars is merely what Beijing says it will spend.) Moreover, the entire US economic program under the Marshall Plan amounted to about \$4 trillion, most of which was never repaid. And these numbers do not represent occupation costs in Germany and Japan nor funds spent in Asia. (A tip of the hat to George Mitrovich, whose article "If China wants to lead the global order, it will need more than the Belt and Road Initiative," provided the numbers and analysis cited above.)

Second, there is the fact that China is playing <u>catchup</u>; in Southeast Asia, its presence is dwarfed by that of Japan. ASEAN statistics tell the story: China accounted for 9.4% of net foreign direct investment (FDI) in ASEAN member states in 2016. Japan bested that with 11.1% of net FDI, while the US provided 11.8%, and the European Union invested a whopping 31.1%. Total investments from 2007 to 2016 reveal an even bigger gap: China invested \$52.4

billion over that time, less than half of Japan's total (\$116.7 billion), that of the US (\$119 billion) and just over a quarter of that of the EU (\$194.8 billion). China provided just 12% of the investment that those three sources did – and that omits funds from Australia, New Zealand, the Republic of Korea, and within ASEAN itself. Chinese investment has been growing but it remains a fraction of that of other governments.

Then there is the Asian Infrastructure Investment Bank, the Chinese institution that many view as a rival to the Asian Development Bank (ADB). It has only extended \$6.4 billion in loans since its launch in 2016 to September 2018. The ADB lent \$35.8 billion in 2018 alone, a 40% jump over two years. Plainly, the BRI is a big deal but it isn't the only story and it is one that needs to be told a little more skeptically and with a little more scrutiny.

#### (Almost) everyone loves a (maritime) parade

The Belt and Road Forum was not Beijing's only venture into multilateralism this reporting period. President Xi also put on a big naval parade, observed by representatives from 61 different nations, which involved 18 surface ships from 13 different navies to commemorate the 70<sup>th</sup> anniversary of the Peoples' Liberation Army Navy.



Figure 3 Xi Jinping inspects the honor guard during the PLAN 70th anniversary naval parade. Photo: Xinhua

France was initially invited to participate but the invitation was rescinded after a French frigate, the *Vendémiaire*, conducted a transit of the Taiwan Strait on April 6. Normally, one would hesitate to call the French effort a freedom of navigation operation (FONOP) since the 90-mile wide Strait has traditionally been recognized as international waters. It became a *de facto* FONOP however after the Chinese officially protested,

accusing the French frigate of "illegally entering Chinese waters." The French Ministry of Defense noted that its Navy "passes on average once a year in the Taiwan Strait without incident or reaction," further noting that "France reaffirms its attachment to the freedom of navigation in accordance with the law of the sea."

Chinese sources <u>indicated</u> that Beijing was particularly upset since it believed that Washington had put the French up to it. The US Navy and Coast Guard have themselves transited the Strait no less than five times since last October.

The US Navy <u>was invited</u> but chose not to participate in the PLAN celebration, although the US Defense attaché was among the observers. The Japanese did participate, sending the destroyer *Suzutsuki*, flying the Navy's Rising Sun symbol on its bow; this was the first Japanese ship visit to China in seven years, reflecting the effort on both sides to smooth relations.

#### Six-Party Talks redux? Not hardly

One Chinese-hosted multilateral forum that, rumors aside, is unlikely to be revived anytime soon is the long-moribund Six-Party Talks, formerly hosted by Beijing and involving North and South Korea, China, Japan, Russia, and the United States. Just prior to North Korean Chairman Kim Jong Un's visit to Vladivostok to meet Russian President Vladimir Putin, a "senior Russian official" reportedly told NHK that Putin was considering proposing a revival of the Talks during their summit. There are no indications, however, that the proposal was made. In fact, other than adding another photo op and another diplomatic feather to Kim's cap. it appears little was accomplished at this "drive-by summit."

Putin did take advantage of the opportunity to get in a few jabs at the US, which he blamed for the collapse of the earlier talks and for undermining North-South cooperation South (through interference in Korea sovereignty). He also noted that the DPRK "needs guarantees of its security and sovereignty," while offering neither. He also (apparently with a straight face but clearly with tongue in cheek) <u>promoted</u> the need "to restore the rule of international law and revert to the position where global developments were regulated by international law instead of the rule of force."

Had Putin and Kim proposed a resumption of Six-Party Talks, their offer would have likely fallen on deaf ears in Washington. US National Security Advisor John Bolton, when asked about the rumored proposal, stated "I think it's not what our preference is."



Figure 4 Kim Jong Un shakes hands with Vladimir Putin in Vladivostok. Photo: AP-Yonhap

For his part, Chairman Kim noted that "peace and security on the Korean peninsula will entirely depend on the U.S. future attitude, and the DPRK will gird itself for every possible situation." Kim <u>blamed</u> the failure of the Hanoi summit between him and President Trump on the "unilateral" attitude of the US.

#### The exception that proves the rule

Finally, while the Trump administration's preference for bilateral over multilateral arrangements is well established, there is a notable exception. In early February, the Trump administration declared a suspension of US obligations under the bilateral US-USSR Intermediate Range Nuclear Forces Treaty and formally announced its intention to withdraw from the treaty in six months.

The 1987 INF <u>Treaty</u> required both sides to eliminate and permanently forswear all their nuclear and conventional ground-launched ballistic and cruise missiles with ranges of 500 to 5,500 km. The Obama administration accused Russia of violating this treaty in 2014. Subsequent annual State Department <u>assessments</u> repeated these allegations, which Russia continues to deny. On Oct. 20, 2018 President Trump announced his intention to "terminate" the INF Treaty, citing Russian

noncompliance while also expressing concerns about China's intermediate-range missile arsenal. The administration has since made it clear that any new treaty, if indeed a new one was ever possible, would have to include, among others, China, which has developed an impressive inventory of intermediate range missiles while Washington and Moscow had their hands tied behind their backs.

President Trump made this position very clear last October: "Unless Russia comes to us and China comes to us and they all come to us and say, 'Let's really get smart and let's none of us develop those weapons,'" Trump said. "But if Russia's doing it and if China's doing it and we're adhering to the agreement, that's unacceptable." Forgive us for not holding our breath until China announces its intention to come on board.

### REGIONAL CHRONOLOGY

### JANUARY - APRIL 2019

Jan. 1, 2019: Taiwan President Tsai announces a new "four musts" framework for cross-strait relations with mainland China, as well as her administration's "three shields" security strategy to protect Taiwan's democratic values, enhance cyber security, and ensure people's livelihoods.

Jan. 1, 2019: Kim Jong Un delivers New Year's speech with a message to President Trump that he is willing to meet again after negotiations with the US stalled. Kim also acknowledges progress in inter-Korean relations, citing the effectiveness of the "non-aggression pact" in reducing accidental armed clashes and easing military tensions.

**Jan. 2, 2019:** On his first day as acting secretary of defense, Patrick Shanahan <u>tells</u> Pentagon staff to remember "China, China, China" and that the 2018 National Defense Strategy will guide operations.

Jan. 6-10, 2019: Russian Pacific Fleet Task Force <u>visits</u> Manila for an unofficial visit to strengthen the relationship between the Russian and Philippine navies. It is the seventh visit of the Russian Navy to Manila since 2012, and consists of goodwill games, a boodle fight, and shipboard tour.

**Jan. 7, 2019:** China's Foreign Ministry <u>lodges</u> "stern representations" with the US in response to the freedom of navigation (FON) operation conducted by the guided-missile destroyer *USS McCampbell* within 12 nm of the Paracel Islands earlier in the day.

**Jan. 7-8, 2019:** Japanese FM Kono <u>visits</u> India. He holds the 10<sup>th</sup> Japan-India Foreign Ministers' Strategic Dialogue with Minister of External Affairs Sushma Swaraj, pays a courtesy call to PM Modi, and inaugurates the India-Japan Friendship Forum.

**Jan. 7-8, 2019:** US trade representatives <u>meet</u> Chinese counterparts in Beijing for the first face-to-face meeting to negotiate trade agreements between the two countries since Presidents Trump and Xi called a 90-day truce in trade disputes on Dec. 1, 2018.

**Jan. 8, 2019:** *China Central Television* <u>announces</u> deployment of *DF*-26 ballistic missiles in China's northwest plateau.

**Jan. 8-10, 2019:** North Korean Chairman Kim Jong Un <u>arrives</u> in Beijing to meet President Xi for their fourth meeting in China in less than a year.

Jan. 10, 2019: South Korean President Moon Jaein <u>accuses</u> Japan of politicizing South Korea's Supreme Court decision ordering Japanese firms to pay reparations to Korean forced laborers during Japan's occupation of the Korean Peninsula.

**Jan. 11-16, 2019:** US and UK navies <u>conduct</u> six days of communication drills, division tactics, and a personnel exchange in the South China Sea.

**Jan. 14, 2019:** Japanese FM Kono <u>meets</u> Russian Foreign Minister Sergei Lavrov in Moscow to discuss a peace treaty and settling territorial disputes over the Kuril Islands.

**Jan. 15, 2019:** Thailand's Election Commission announces postponement of the Feb. 24 general election, citing planning conflicts with the coronation of King Vajiralongkorn in May.

Jan. 15, 2019: South Korea's military <u>publishes</u> 2018 defense white paper, which omits the word "enemy" and other "provocative jargon" in reference to North Korea's government and military, and underscores determination to push for more confidence-building measures in inter-Korean military relations.

**Jan. 15, 2019:** Indian Ambassador to the United States Harsh Vardhan Shringla <u>announces</u> to the US-India Business Council India's commitment to purchase \$5 billion in oil and gas per year, and \$18 billion in defense equipment.

- Jan. 15-19, 2019: Japanese Defense Minister Iwaya makes a five-day visit to the US and meets Acting Defense Secretary Shanahan in Washington DC. Iwaya also stops in Hawaii on his first visit since taking office, where he is hosted by Adm. Davidson at USINDOPACOM headquarters.
- **Jan. 16-18, 2019:** Prime Minister Morrison makes the first bilateral visit by an Australian prime minister to Vanuatu and Fiji.
- **Jan. 17, 2019:** Taiwan's military <u>holds</u> its first large-scale drills of the year on the island's west coast, aimed at honing its combat readiness and "thwarting an amphibious invasion."
- Jan. 17-19, 2019: North Korean Special Envoy Kim Yong Chol <u>travels</u> to Washington DC to meet Secretary of State Pompeo and Special Representative for North Korea Biegun to "make progress on the commitments President Trump and Chairman Kim Jong Un made at their summit in Singapore."
- Jan. 18, 2019: Japanese MSDF support ship finds a North Korean-flagged tanker lying next to a vessel of unknown nationality with connected hoses in the East China Sea. Japan reports details of the incident to the UN Security Council Committee on suspicion of ship-to-ship transfers.
- Jan. 18, 2019: Following President Trump's meeting with North Korean Special Envoy Kim Yong Chol, the White House announces that President Trump and Chairman Kim Jong Un will meet for a second summit in late February.
- **Jan. 22, 2019:** Japanese PM Abe and Russian President Putin <u>agree</u> to accelerate work on reaching a postwar peace treaty and resolving disputes over the Northern Territories/Kuril Islands, following their summit in Moscow.
- **Jan. 22, 2019:** Taiwan's Defense Ministry tells its citizens not to panic after PLA aircraft <u>fly</u> over the Bashi Channel within close-range of the island.
- **Jan. 23, 2019:** Japanese SDF patrol plane flies within close proximity of a South Korean naval vessel in the East China Sea. Japanese FM Kono and South Korean FM Kang Kyung-wha meet on the sidelines of the World Economic Forum to address the incident.

- **Jan. 24, 2019:** USS McCampbell and the USNS Walter S. Diehl transit the Taiwan Strait to demonstrate "US commitment to a free and open Indo-Pacific."
- **Jan. 24, 2019:** Indian Navy <u>commissions</u> a third air base, INS Kohassa, in the northern Andaman and Nicobar islands.
- **Jan. 28, 2019:** US Department of Justice <u>files</u> financial fraud charges against Huawei and its CFO Meng Wanzhou in relation to the company's business activities in Iran.
- Jan. 29, 2019: China's Ministry of Transport opens a maritime rescue center on Yongshu (Fiery Cross) Reef in Nansha (Spratly) Islands, "to better protect navigation and transport safety in the South China Sea."
- **Jan. 30-31, 2019:** US and Chinese officials, led by US Trade Representative Lighthizer and Chinese Vice Premier Liu He, <u>meet</u> in Washington DC to negotiate a trade agreement.
- **Feb. 1, 2019:** European Union-Japan Economic Partnership Agreement enters into force.
- **Feb. 2, 2019:** Following President Trump's announcement that the US would pull out of the Intermediate-Range Nuclear Forces Treaty, President Putin <u>announces</u> Russia's withdrawal.
- **Feb. 3-8, 2019:** US Special Representative for North Korea Biegun <u>travels</u> to Seoul and Pyongyang to meet South and North Korean counterparts to prepare for a second summit between President Trump and Chairman Kim.
- **Feb. 10, 2019:** South Korea <u>agrees</u> to increase its contribution to the upkeep of US Forces Korea by 8.2% (\$915 million).
- **Feb. 11, 2019:** USS Spruance and USS Preble <u>sail</u> within 12 nm of the Spratly Islands as a freedom of navigation operation "to challenge excessive maritime claims and preserve access to the waterways governed by international law."
- **Feb. 11, 2019:** Spokesperson for the Philippine government <u>announces</u> that the US pledged \$5.75 million in intelligence support to assist counterterrorism efforts in the Philippines.

- **Feb. 11-15, 2019:** US trade officials <u>negotiate</u> with Chinese representatives in Beijing to secure a trade deal. President Xi <u>meets</u> US Trade Representative Lighthizer and US Treasury Secretary Mnuchin.
- **Feb. 12, 2019:** In testimony to the US Senate Armed Services Committee, Adm. Davidson identifies China's military as "the principle threat to U.S. interests, U.S. citizens and our allies inside the First Island Chain."
- **Feb. 12, 2019:** Japanese government <u>lodges</u> a "stern protest" with Seoul in reaction to South Korea National Assembly Speaker Moon Heesang's remarks regarding Emperor Akihito.
- **Feb. 12, 2019:** Members of US Congress introduce resolutions in the House of Representatives and the Senate that they hope will "reinforce" the trilateral US-Japan-South Korea alliance amidst deteriorating relations between Tokyo and Seoul.
- **Feb. 12-22, 2019:** US and Thailand <u>host</u> *Cobra Gold*, Asia's largest multinational military exercise, in Thailand, during which 29 countries participate in staff exercises, humanitarian civic assistance projects, and field training exercises.
- **Feb. 15, 2019:** Indian PM Modi <u>calls</u> for "the complete isolation of Pakistan" following a suicide car bombing in Kashmir that killed 42 Indian security personnel.
- **Feb. 18, 2019:** US and UK navies <u>hold</u> a joint drill in the South China Sea, where crew from *HMS Montrose* embark and secure *USNS Guadalupe* in a high seas trafficking simulation.
- **Feb. 19–22, 2019:** New round of US-China trade talks <u>commence</u> in Washington DC, followed by high-level talks led by US Trade Representative Lighthizer and Chinese Vice Premier Liu He.
- **Feb. 20, 2019:** Inaugural Japan-Three Micronesian Countries' Meeting is <a href="held">held</a> in Koror, Palau to enhance cooperation between Japan, Palau, the Marshall Islands, and the Federated States of Micronesia. Japan announces that it will provide \$30.7 million in aid for disaster prevention and mitigation and economic and social development assistance.

- **Feb. 20-March 8, 2019:** US, Japanese, and Australian troops <u>participate</u> in *Cope North*, the largest multilateral Pacific Air Forces exercise, designed to strengthen air operations with a focus on humanitarian assistance and disasterrelief training.
- **Feb. 21–22, 2019:** Indian PM Modi <u>visits</u> South Korea and meets President Moon in Seoul to discuss strengthening economic and military ties between the two countries.
- **Feb. 24, 2019:** Okinawan voters <u>reject</u> plans for the construction of a new US air base in Henoko.
- **Feb. 24, 2019:** President Trump <u>delays</u> March 1 deadline for increasing tariffs on Chinese imports, citing progress made in trade talks.
- **Feb. 25, 2019:** USS Stethem and USNS Cesar Chavez transit the Taiwan Strait to demonstrate "the U.S. commitment to a free and open Indo-Pacific."
- **Feb. 25-26, 2019:** Senior Chinese and South Korean naval officers <u>attend</u> the annual meeting of Asia-Pacific countries, hosted by Japan's MSDF, aimed to deepen "mutual understanding among the region's navies."
- **Feb. 26, 2019:** Indian fighter jets <u>conduct</u> a strike in Pakistan. Indian Foreign Secretary Vijay Gokhale claims that "a very large number of (Jaish-e-Mohammed) terrorists, trainers, senior commanders and groups of jihadis" are killed. Pakistan refutes the claim.
- **Feb. 26, 2019:** Russian telecom operator Rostelecom <u>says</u> that it had laid 506 miles of fiber-optic cable throughout the Russian-claimed Kuril Islands, and that doing so would improve "the quality of life for the local population."
- **Feb. 27, 2019:** Pakistan's military <u>shoots</u> down two Indian warplanes in Kashmir and captures one of the pilots.
- **Feb. 27-28, 2019:** President Trump and Chairman Kim Jong Un <u>meet</u> in Hanoi, Vietnam for their second summit. Negotiations collapse early and end what was planned to be a two-day summit.

**Feb. 28-March 1, 2019:** US Secretary of State Pompeo visits the Philippines and meets President Duterte. Pompeo <u>assures</u> Philippines Foreign Secretary Locsin that the US would respond to "any attack on Philippine aircraft or ships in the South China Sea," citing article 4 of the US-Philippines Mutual Defense Treaty.

**March 1, 2019:** Pakistan <u>returns</u> captured Wing Commander Abhinandan Varthaman to India as a goodwill gesture to deescalate tensions between the countries.

**March 4, 2019:** Pakistan's Navy <u>denies</u> the entrance of an Indian submarine into its waters without having it "deliberately targeted" to further de-escalation efforts between the two countries.

**March 4-12, 2019:** US and South Korean militaries <u>hold</u> the inaugural *Dong Maeng* joint military exercise, a scaled-back version of the annual *Foal Eagle* and *Key Resolve* series.

March 4-25, 2019: US Navy joins its partners for the 14<sup>th</sup> Pacific Partnership. The annual Indo-Pacific multinational humanitarian assistance and disaster relief preparedness mission aims to strengthen regional ties and "enhance regional interoperability and disaster response capabilities."

March 5, 2019: Deputy Foreign Minister of Japan Mori Takeo <u>meets</u> Russian counterpart Igor Morgulov in Moscow to discuss improved bilateral relations in 2019.

**March 5, 2019:** President Trump decides to withdraw India from the Generalized System of Preferences (GSP) program.

March 5-7, 2019: South Korean Special Representative for Korean Peninsula Peace and Security Affairs Lee Do-hoon <u>visits</u> Washington DC to meet US Special Representative for North Korea Biegun to coordinate plans following the US-DPRK second summit.

**March 6-7, 2019:** Malaysian Prime Minister Mahathir Mohamed <u>makes</u> his first official visit since returning to office in 2018 to Manila to meet President Duterte.

March 7, 2019: US analysts from 38 North and CSIS's Beyond Parallel report that North Korea's Sohae Launch Facility is returning to normal operating status after being moderately dismantled following the Singapore Summit, analysis based on commercial satellite imagery acquired on March 6.

**March 7, 2019:** Taiwan's deputy defense minister <u>announces</u> that Taiwan has submitted an official request to purchase new fighter jets from the United States.

**March 8, 2019:** Vietnamese official <u>reports</u> that a Vietnamese fishing boat was rammed by a Chinese vessel near Discovery Bay in the Paracel Islands on Mar. 6.

March 8, 2019: South Korea FM Kang signs Special Measures Agreement with US Ambassador Harry Harris, formally agreeing to pay \$915 million for the upkeep of US Forces, Korea.

March 11, 2019: UN Panel of Experts on North Korea <u>release</u> a 400-page document showing that the DPRK has broken UN sanctions by increasing oil imports and coal exports through ship-to-ship transfers, trying to sell arms in the Middle East, and hacking banks globally.

March 11-16, 2019: South Korean President Moon makes a three-nation ASEAN tour, stopping in Brunei, Malaysia, and Cambodia.

March 13, 2019: Former Philippine Foreign Secretary Albert del Rosario, former Ombudsman Conchita Carpacio Morales, and Filipino fishermen file a complaint against Chinese President Xi Jinping before the International Criminal Court (ICC) for committing "crimes against humanity" in China's systematic takeover of the South China Sea.

March 13, 2019: Japan <u>rescinds</u> its annual motion to the UN condemning North Korea's human rights record, "given U.S. efforts to end North Korea's weapons program and other factors."

**March 13, 2019:** Two US *B-52* bombers <u>conduct</u> "routine training in the vicinity of the South China Sea" before returning to Andersen AFB in Guam. The *USS Blue Ridge* <u>anchors</u> in Manila Bay after sailing through the South China Sea.

March 13, 2019: US and India sign an agreement "to strengthen bilateral security and civil nuclear cooperation," through building six US nuclear power plants in India.

**March 14, 2019:** US Navy, UK Royal Navy, and Japanese MSDF <u>conduct</u> an anti-submarine warfare exercise in the Western Pacific to "support a free and open Indo-Pacific."

**March 15, 2019:** China's national legislature passes a foreign investment law, effective Jan. 1, 2020, to "provide stronger protection and a better business environment for overseas investors."

**March 15, 2019:** Communist Party Secretary of Sansha Zhang Jun <u>announces</u> plans to develop Woody Island and two smaller islets in the Paracels into a "national key strategic service and logistics base."

March 17, 2019: Philippines withdraws from the ICC after the tribunal launched a preliminary examination into "the alleged crimes against humanity of President Rodrigo Duterte and his men."

**March 18, 2019:** US *B*-52 bombers <u>conduct</u> an Indo-Pacific "theater familiarization" exercise, flying north from Anderson AFB in Guam to an area east of Russia's Kamchatka Peninsula.

**March 20, 2019:** Two US *B-52* bombers join the US Navy and Japan's ASDF in integrated training near the East China Sea.

March 21-28, 2019: Taiwan President Tsai Ingwen <u>visits</u> Pacific allies Palau, Nauru, and the Marshall Islands to "deepen ties and friendly relations." Her tour concludes with a stop in Hawaii.

March 22, 2019: South Korea's Unification Ministry announces that North Korea withdrew its staff from the inter-Korean liaison office in Kaesong following "instructions from the superior authority."

March 22, 2019: President Trump tweets that he is withdrawing "additional large scale Sanctions" against North Korea. His decision contradicts the Treasury Department's announcement 24 hours earlier that it would pursue sanctions against two Chinese shipping companies for aiding North Korea in evading restrictions imposed by the US and UNSC.

**March 24, 2019:** Two-thirds of Thailand's 51 million voters <u>turn out</u> for the country's first election since 2014.

March 24-25, 2019: The USS Curtis Wilbur and USCG Bertholf conduct "a routine Taiwan Strait transit." It is the first FOIP mission to involve a US Coast Guard vessel.

**March 25, 2019:** South Korea's Unification Ministry <u>reports</u> that "four to five" North Korean officials returned to work at the inter-Korean liaison office in Kaesong.

March 26, 2019: Free Joseon, a political organization that opposes Kim Jong Un, <u>claims</u> responsibility for raiding the North Korean Embassy in Spain on Feb. 22. Information stolen from the embassy was later shared with the FBI, but the US government claims no involvement in the operation.

**March 27, 2019:** Seven pro-democracy parties <u>form</u> a coalition to secure a majority in Thailand's House of Representatives to oppose the military-backed National Council for Peace and Order.

March 27, 2019: Prime Minister Modi <u>declares</u> India "a space power" following the success of Mission Shakti, an anti-satellite missile demonstration.

March 28-29, 2019: US Trade Representative Lighthizer and Treasury Secretary Mnuchin hold "a rapid-fire series" of trade talks with Vice Premier Liu He and his delegation in Beijing.

March 31, 2019: Two PLAAF *J-11 fighter jets* cross the median line in the Taiwan Strait, prompting Taiwan to dispatch its own planes to warn off the Chinese aircraft. Taiwan's Ministry of Foreign Affairs declares the action "provocative" and a violation of "the long-held tacit agreement" of cross-straits relations.

April 1, 2019: Philippines presidential spokesman Salvador Panelo announces that the Department of Foreign Affairs has filed a diplomatic protest against China regarding "the presence of more than 200 Chinese boats" that have been recorded near Philippines-claimed territory in the South China Sea between January and March.

**April 1, 2019:** South Korean soldiers begin searching for Korean War remains at the border without North Korean assistance despite previous agreement at the third Kim-Moon summit that a joint search would take place from April 1 to Oct. 31.

**April 1, 2019:** New Zealand PM Ardern makes her first official visit to China. In addition to presiding over the opening of New Zealand's new embassy in Beijing, the two countries sign several cooperation agreements in the areas of agriculture, finance, science and technology.

**April 1-12, 2019:** The 2019 *Balikitan* exercises take place in Luzon and Palawan. Over 7,000 troops from the US, Philippines, and Australia participate in humanitarian and civic assistance projects as well as land, sea, air, and counterterrorism operations.

**April 2, 2019:** Pentagon's Defense Security Cooperation Agency <u>approves</u> the sale of 24 *Seahawk* helicopters to India.

**April 2-14, 2019:** Navy, army, and air force personnel from Australia and India <u>participate</u> in the third *AUSINDEX* joint maritime exercise in the Bay of Bengal. The three phases of the exercise focus on anti-submarine warfare and improving overall bilateral cooperation and interoperability.

**April 3-5, 2019:** Ninth round of US-China trade talks <u>continue</u> in Washington DC as Vice Premier Liu He meets US Trade Representative Lighthizer and Treasury Secretary Mnuchin. A meeting between Liu and President Trump also takes place.

**April 8, 2019:** Malaysian authorities <u>detain</u> 41 Rohingya migrants who arrived by boat on a beach in the north of the country.

**April 8-12, 2019:** Three Russian warships anchor in the Port of Manila for the second "goodwill visit" between the Philippine and Russian navies in 2019.

**April 10, 2019:** The US Navy <u>sends</u> the USS Stethem and a P-8A maritime patrol aircraft to assist search and rescue operations after a Japanese ASDF F-35 jet disappears off northeast Japan during a training flight.

**April 10-11, 2019:** South Korea President Moon Jae-in <u>travels</u> to Washington DC to meet President Trump for a summit on North Korean diplomacy.

April 12, 2019: Indonesia's Ministry of Defense signs a \$1.02 billion contract with South Korea's Daewoo Shipbuilding and Marine Engineering (DSME) for three diesel-electric submarines, following final delivery of a previous batch of submarines from the South Korean shipbuilder on April 11.

**April 13-16, 2019:** Indian Navy <u>sends</u> the warships *INS Kolkata* and *INS Shakti* to the second *Indian Navy-Vietnam Peoples' Navy Bilateral Exercise* at Cam Ranh Bay in Vietnam.

**April 15, 2019:** Taiwan's Ministry of National Defense and Japan's Ministry of Defense separately report PLAAF jets and planes flying over the Bashi Channel to conduct exercises in the Western Pacific.

**April 15-16, 2019:** Japanese Economy Minister Toshimitsu Motegi <u>meets</u> US Trade Representative Lighthizer in Washington DC for the first round of negotiations on a bilateral trade agreement.

**April 17–18, 2019:** US Special Representative for North Korea Biegun <u>travels</u> to Moscow "to discuss efforts to advance the final, fully verified denuclearization of North Korea."

**April 17, 2019:** Preliminary results from Indonesia's general election show incumbent Joko Widodo winning over Prabowo Subianto in the presidential race.

**April 18, 2019:** *Korean Central News Agency* reports that Kim Jong Un observed the testing of Pyongyang's new "tactical guided weapon."

**April 19, 2019:** Japanese FM Kono and Defense Minister Iwaya meet US Secretary of State Pompeo and Acting Secretary of Defense Shanahan in Washington DC for a "2+2" Security Consultative Committee meeting that focuses on bilateral "coordination on the evolving regional security environment."

April 19, 2019: Malaysian PM Mahathir announces revival of the \$34 billion Bandar Malaysia development project that was suspended in 2017. The Chinese-backed rail and property development project is described by the PM's office as "a significant contribution to the Belt and Road Initiative," and integral in fostering long-term bilateral relations between Malaysia and China.

**April 18–21, 2019:** The US and Sri Lankan navies <u>cancel</u> the 2019 *Cooperation Afloat and Readiness Training* exercise four days earlier than scheduled. The 25<sup>th</sup> iteration was based out of Hambantota Port, but was suspended following the Easter Sunday attacks.

**April 21, 2019:** Three churches and four hotels are targeted in coordinated bombings across Sri Lanka on Easter Sunday, killing over 300 people and injuring over 500.

**April 22, 2019:** Cambodian PM Hun Sen and Thai PM Prayut Chan-O-Cha <u>inaugurate</u> the reopening of the cross-border rail link that closed 45 years ago. During the event the two leaders sign an agreement to operationalize international rail services and Thailand presented Cambodia with a four-car diesel train.

**April 22-May 5, 2019:** The air forces of the United States, South Korea, and Australia <u>undertake</u> two weeks of "scaled-back" joint air drills around the Korean Peninsula, replacing the previous large-scale *Max Thunder* drill.

**April 23, 2019:** FM Kono <u>announces</u> that Japan has removed its call to "maximize pressure on North Korea by all available means" from its Diplomatic Bluebook 2019, in favor of working to resolve the issue of North Korea's abduction of Japanese citizens.

**April 23, 2019:** People's Liberation Army Navy marks its 70<sup>th</sup> anniversary with a naval review off Qingdao featuring its new nuclear submarines and destroyers. Ships from 13 countries including India, Japan, Australia, Russia, Vietnam, Malaysia, and the Philippines participate.

**April 24, 2019:** US officials <u>report</u> that the French frigate *Vendemiaire* was "shadowed" by Chinese military when it transited the Taiwan Strait on April 7.

**April 24, 2019:** Two Japan MSDF *P-3C Orion* maritime patrol aircraft <u>join</u> the Indian Navy for a joint anti-submarine warfare exercise off Western India.

**April 24-25, 2019:** North Korean Chairman Kim travels to Russia to <u>meet</u> President Putin in Vladivostok.

**April 25, 2019:** North Korea's Committee for the Peaceful Reunification of the Country <u>criticizes</u> South Korea for committing "acts of perfidy" in conducting joint air drills with the United States during what it views as a "crucial moment" on the peninsula.

**April 25, 2019:** China <u>protests</u> the *Vendemiaire's* April 7 transit through the Taiwan Strait, claiming that the French warship had "illegally entered China's territorial waters."

**April 25-27, 2019:** Second <u>Belt and Road Forum</u> <u>for International Cooperation</u> is hosted by President Xi in Beijing and gathers leaders and representatives from 150 countries.

**April 26-27, 2019:** Japanese PM Abe <u>makes</u> official visit to the White House to discuss bilateral trade, focusing on the automobile industry, with President Trump.

**April 28, 2019:** USS William P. Lawrence and USS Stethem <u>sail</u> the Taiwan Strait, demonstrating "the U.S. commitment to a free and open Indo-Pacific."

**April 30-May 1, 2019:** US Trade Representative Lighthizer and US Treasury Secretary Mnuchin <u>continue</u> trade talks with Chinese Vice Premier Liu He in Beijing.

**May 1, 2019:** The Heisei era ends and the Reiwa era begins as Naruhito <u>ascends</u> the throne following Akihito's 30-year reign.

Chronology by Ariel Stenek, Pacific Forum