

COMPARATIVE

CONNECTIONS

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

EDITED BY

ROB YORK

BRAD GLOSSERMAN

SEPTEMBER - DECEMBER 2022 VOL. 24, NO. 3 JANUARY 2023

PACIFIC FORUM

Founded in 1975, the Pacific Forum is a non-profit, foreign policy research institute based in Honolulu, Hawaii. The Forum's programs encompass current and emerging political, security, economic and business issues and works to help stimulate cooperative policies in the Asia Pacific region through analysis and dialogue undertaken with the region's leaders in the academic, government, and corporate areas.

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HONOLULU, HAWAII

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Bilateral relationships in East Asia have long been important to regional peace and stability, but in the post-Cold War environment, these relationships have taken on a new strategic rationale as countries pursue multiple ties, beyond those with the US, to realize complex political, economic, and security interests. How one set of bilateral interests affects a country's other key relations is becoming more fluid and complex, and at the same time is becoming more central to the region's overall strategic compass. *Comparative Connections*, Pacific Forum's triannual e-journal of bilateral relations in the Indo-Pacific, edited by Rob York and Brad Glosserman, with Rob York as senior editor, was created in response to this unique environment. *Comparative Connections* provides timely and insightful analyses on key bilateral relationships in the region, including those involving the US.

We regularly cover the key bilateral relationships that are critical for the region. While we recognize the importance of other states in the region, our intention is to keep the core of the e-journal to a manageable and readable length. Because our project cannot give full attention to each of the relationships in Asia, coverage of US-Southeast Asia and China-Southeast Asia countries consists of a summary of individual bilateral relationships, and may shift focus from country to country as events warrant. Other bilateral relationships may be tracked periodically (such as various bilateral relationships with Australia, India, and Russia) as events dictate. Our Occasional Analyses also periodically cover functional areas of interest.

Our aim is to inform and interpret the significant issues driving political, economic, and security affairs of the US and East Asian relations by an ongoing analysis of events in each key bilateral relationship. The reports, written by a variety of experts in Asian affairs, focus on political/security developments, but economic issues are also addressed. Each essay is accompanied by a chronology of significant events occurring between the states in question during the reporting period. A regional overview section places bilateral relationships in a broader context of regional relations. By providing value-added interpretative analyses, as well as factual accounts of key events, the e-journal illuminates patterns in Asian bilateral relations that may appear as isolated events and better defines the impact bilateral relationships have upon one another and on regional security.

The online version of Comparative Connections is available at https://cc.pacforum.org.

TABLE OF CONTENTS

REGIONAL OVERVIEW

INDO-PACIFIC AS THE "EPICENTER'	
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BY RALPH COSSA, PACIFIC FORUM & BRAD GLOSSERMAN, TAMA UNIVERSITY CRS/PACIFIC FORUM

The Biden administration released its long-awaited National Security Strategy (NSS) this trimester, along with unclassified versions of its National Defense Strategy and Missile Defense and Nuclear Posture Reviews. There were no big surprises. The NSS identified the Indo-Pacific as "the epicenter of 21st century geopolitics" and reaffirmed China as the "pacing challenge," even while branding Russia as "an immediate threat to the free and open international system" as a result of its invasion of Ukraine. Underscoring the priority attached to the region, President Biden attended the East Asia Summit in Phnom Penh and the G-20 Summit in Bali, with Vice President Kamala Harris representing the United States at the annual Asia Pacific Economic Cooperation (APEC) Leaders' Meeting in Bangkok.

US-JAPAN RELATIONS

RAMPING UP DIPLOMACY AND DEFENSE COOPERATION19

BY SHEILA A. SMITH, COUNCIL ON FOREIGN RELATIONS & CHARLES T. MCCLEAN, YALE MACMILLAN CENTER

In the wake of the death of former Prime Minister Abe Shinzo, the fall brought unexpectedly turbulent politics for Prime Minister Kishida Fumio. In the United States, however, President Joe Biden welcomed the relatively positive outcome of the midterm elections, with Democrats retaining control over the Senate and losing less than the expected number of seats in the House. Diplomacy continued to be centered on various impacts of the Russian invasion of Ukraine, but both Biden and Kishida focused their attention on a series of Asian diplomatic gatherings to improve ties. Chinese President Xi Jinping's attendance at the G20 Meeting in Bali and APEC gathering in Bangkok proffered the opportunity finally for in-person bilateral meetings for both leaders. Finally, Japan's long awaited strategic documents were unveiled in December. A new National Security Strategy (NSS) took a far more sober look at China's growing influence and included ongoing concerns over North Korea as well as a growing awareness of Japan's increasingly difficult relationship with Russia.

US-CHINA RELATIONS

THE	BALI	SUMMIT:	US	AND	PRC	LEADERS	ATTEMPT	TO
ARRE	EST TH	E SLIDE			• • • • • • •		• • • • • • • • • • • • • • • • • • • •	. 29

BY BONNIE S. GLASER, GERMAN MARSHALL FUND OF THE US

Joe Biden and Xi Jinping met in person for the first time as national leaders at the G20 summit in Bali and agreed to manage competition in their relationship responsibly and restore regular dialogue between senior officials and cooperation between their countries. Bilateral meetings between senior officials in charge of climate, finance, trade, and defense followed. After the US announced another weapons sale to Taiwan, however, Beijing halted the resumption of military-to-military exchanges again. The US issued new export controls aimed at freezing China's advanced chip production and supercomputing capabilities. President Biden maintained that he would send US forces to defend Taiwan if attacked and repeated that whether the island is independent is up to Taiwan to decide. The Biden administration issued its *National Security Strategy*, *National Defense Strategy*, *Nuclear Posture Review*, and *Missile Defense Review*. The US imposed sanctions on Chinese officials for serious human rights abuses in Tibet and arbitrary detention of Falun Gong practitioners. China retaliated by sanctioning two former Trump administration officials.

US-KOREA RELATIONS

EVERYTHING EVERYWHERE ALL AT ONCE, EXTREMELY CLOSE AND INCREDIBLY LOUD41

MASON RICHEY, HANKUK UNIVERSITY OF FOREIGN STUDIES & ROB YORK, PACIFIC FORUM

Continuing a trend from the May-August reporting period, the final reporting period of 2022 in US-Korea relations was marked by an accelerated ratcheting up of tension. In short, numerous problems reared up on the Korean Peninsula from September-December, and good solutions have been few. And not only does this describe relations between the US and North Korea, but in their own, friendly way also the situation between Washington and Seoul, whose frequent invocations of rock-solid alliance cooperation belie unease about crucial areas of partnership. Two critical issues have been increasingly affecting the US-South Korea alliance in 2022, with the September-December period no exception. First, South Korea desires ever more alliance-partner defense and security reassurance from the US in the face of a growing North Korean nuclear threat and Chinese revisionism. Yet the US has downward-trending limits on credible reassurance as North Korea masters nuclear weapons technology that threatens US extended nuclear deterrence for South Korea. The US also faces less geopolitical pressure to effusively reassure its Indo-Pacific allies—including South Korea—as China grows to menace the regional order and the US consequently faces lower risk of ally hedging or realignment.

US-INDIA RELATIONS

FRIENDS WITH BENEFITS	6161
-----------------------	------

BY AKHIL RAMESH, PACIFIC FORUM

2022 was a challenging year, not just for US-India relations, but for every India analyst trying to explain the Indian government's position on the Russia-Ukraine conflict. Explaining to a non-IR audience India's history of nonalignment during the Cold-War era and its current policy of multi-alignment was not a gratifying endeavor. While the last four months of 2022 did not have the friction and stress-tests as the first four of 2022 or the slow and steady expansion of relations that followed between May and September, they certainly had multiple surprising events that could make them the halcyon months of 2022. In mid-November, the US and Indian armies engaged in a military exercise at Auli, not far from the Line of Actual Control (LAC) separating Indian-held and Chinese-held territory. While the US and Indian armies have engaged in exercises prior to 2022, this proximity to the Indo-China border is a first. A month later, in another first, US Treasury Secretary Janet Yellen traveled to India to meet Indian Finance Minister Nirmala Sitharaman to expand the US-India "Indo-Pacific partnership." Yellen characterized India as a "friendly shore" for supply chain diversification and as the indispensable partner for the US.

US-SOUTHEAST ASIA RELATIONS

EXTERNAL ORDER, INNER TURMOIL73

BY CATHARIN DALPINO, GEORGETOWN UNIVERSITY

In November three ASEAN states—Cambodia, Indonesia, and Thailand—drew favorable marks for their chairmanship of high-profile regional and global meetings: the East Asia Summit and ASEAN Leaders Meeting; the G20 Summit; and the Asia Pacific Economic Cooperation (APEC) meeting, respectively. Helming these meetings was particularly challenging for Southeast Asian leaders—who are naturally inclined to avoid strong alignments with external powers—in the current global environment of heightened tensions between the United States and China in the Taiwan Strait and the war in Ukraine. However, the year was a difficult period for ASEAN internally, with uneven economic recovery from the COVID-19 pandemic and the intractable conflict in Myanmar. The last quarter of 2022 saw two political shifts in the region: in general elections in Malaysia, Anwar Ibrahim achieved a longstanding ambition to become prime minister but will have to manage a difficult coalition to retain power. At the year's end, Laos changed prime ministers, but it is not clear if the transition will solve the country's debt problems, which were revealed to be more dire than estimated.

CHINA-SOUTHEAST ASIA RELATIONS

BY ROBERT SUTTER, GEORGE WASHINGTON UNIVERSITY & CHIN-HAO HUANG, YALE-NUS COLLEGE

Southeast Asia was the center of international attention in November as regional and global leaders gathered at the G20 conference in Indonesia, which took place between the annual ASEAN-hosted summit meetings in Cambodia and the yearly APEC leaders meeting in Thailand. Acute China-US rivalry loomed large in media and other forecasts, warning of a clash of US-Chinese leaders with negative implications feared in Southeast Asia and elsewhere. The positive outcome of the Biden-Xi summit at the G20 conference and related actions cased tensions, which was welcomed, particularly in Southeast Asia, but the implications for the US and allies' competition with China remain to be seen. Tensions over disputes in the South China Sea continued unabated. President Xi Jinping made his first trip to a major international gathering at the G20 conference followed by the APEC meeting after more than two years of self-imposed isolation in line with his government's strict COVID-19 restrictions.

CHINA-TAIWAN RELATIONS

BY DAVID J. KEEGAN, JOHNS HOPKINS SCHOOL OF ADVANCED INTERNATIONAL STUDIES & KYLE CHURCHMAN, JOHNS HOPKINS SCHOOL OF ADVANCED INTERNATIONAL STUDIES

In the wake of then US Speaker of the House Nancy Pelosi's visit to Taiwan in August, China's extensive military exercises continued to impose a more threatening "new normal" in the Taiwan Strait. Taiwan continued to be the focus of heated public exchanges between the US and China. US President Biden said, for a fourth time, that the US would defend Taiwan and added an inflammatory codicil that independence was for Taiwan to decide. At the 20th Congress of the Chinese Communist Party, General Secretary Xi Jinping promised China would strive for peaceful reunification with Taiwan but would not renounce use of force. On Dec. 23, Biden signed the Taiwan Enhanced Resilience Act and a State Department appropriation providing \$2 billion in loans for Taiwan to purchase US equipment. Two days later, China sent 71 military aircraft and seven ships to intimidate Taiwan, its largest-ever one-day exercise near the island. Two days later, Taiwan President Tsai Ing-wen announced that Taiwan would extend its military conscription to 12 months. TSMC formally broke ground for the first of two factories in the US, a \$40 billion investment.

NORTH KOREA-SOUTH KOREA RELATIONS

DRONES IN A DARKENING SKY, TACTICAL NUKE TALK: PYONGYANG'S PROVOCATIONS ESCALATE......103

BY AIDAN FOSTER-CARTER, LEEDS UNIVERSITY, UK

The main feature of inter-Korean relations in the last four months of 2022 was varied and ever-increasing provocations by Pyongyang. Besides multiple missiles, there were artillery volleys and an incursion by five drones. Kim Jong Un also ramped up his nuclear threats, in theory and practice. A revised law widened the scope of nuclear use, while a new stress on tactical weapons was matched by parading 30 new multiple launch rocket systems (MLRs) which could deliver these anywhere on the peninsula. The government of South Korea President Yoon Suk Yeol for his part reinstated officially calling North Korea an enemy, and revived concern with DPRK human rights. As the year turned, his government was mulling retaliation for the drone incursions; that could include scrapping a 2018 inter-Korean military accord, a dead letter now due to Pyongyang's breaches. With tensions rising, the new year ahead may be an anxious one on the peninsula.

CHINA-KOREA RELATIONS

KIM JONG UN TESTS XI-YOON DIPLOMACY...... 119

BY SCOTT SNYDER, COUNCIL ON FOREIGN RELATIONS & SEE-WON BYUN, SAN FRANCISCO STATE UNIVERSITY

Regional and global summits presented high-level platforms for China-South Korea engagement in November. The summitry showed that the relationship had returned with solidity with the resumption of international meetings and in-person exchanges. Although the Xi Jinping and Yoon Suk Yeol leaderships advanced diplomatic exchange, concerns emerged over enduring political and security constraints and growing linkages with the economic relationship. Kim Jong Un's escalation of military threats, through an unprecedented number of missile tests this year, challenged Xi-Yoon bilateral and multilateral diplomacy. China-North Korea bilateral interactions, while brisk, primarily relied on Xi and Kim's exchange of congratulatory letters around significant founding anniversaries, China's 20th Party Congress, and expressions of condolences after the death of former Chinese leader Jiang Zemin. The UN Security Council's failure to take unified action on DPRK threats prompted South Korea to voice frustration with China and expand cooperation with US and Japanese partners. Such responses only reinforced concerns raised in recent leadership exchanges, and Korean domestic division over Yoon's diplomatic strategies.

JAPAN-CHINA RELATIONS

A PERIOD OF COLD PEACE	?12	29
------------------------	-----	----

BY JUNE TEUFEL DREYER, UNIVERSITY OF MIAMI

In the sole high-level meeting in the report period, on the sidelines of the APEC meeting in Bangkok in November, General Secretary/President Xi Jinping and Prime Minister Kishida Fumio essentially talked past each other. At an earlier ASEAN+3 meeting in Phnom Penh, Premier Li Keqiang and Kishida not only talked past each other but pointedly walked past each other. There was no resolution of major issues: the Chinese position is and remains that Taiwan is a core interest of the PRC in which Japan must not interfere. Japan counters that a Chinese invasion would be an emergency for Japan. On the islands known to the Chinese as the Diaoyu and to the Japanese as the Senkaku, Tokyo considers them an integral part of Japan on the basis of history and international law while China says the islands are part of China. On jurisdiction in the East China Sea, Japan says that demarcation should be based on the median line and that China's efforts at unilateral development of oil and gas resources on its side of the median are illegal. Beijing does not recognize the validity of the median line.

JAPAN-KOREA RELATIONS

JAPAN AND SOUTH KOREA AS LIKE-MINDED PARTNERS IN THE INDO-PACIFIC......147

BY JI-YOUNG LEE, AMERICAN UNIVERSITY & ANDY LIM, CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES

The last four months of 2022 saw a flurry of bilateral diplomatic activities between Japan and South Korea in both nations' capitals and around the world. They focused on 1) North Korea, 2) the issue of wartime forced labor, and 3) the future of Seoul-Tokyo cooperation in the Indo-Pacific region. Despite mutual mistrust and the low approval ratings of Prime Minister Kishida Fumio and President Yoon Suk Yeol, both leaders had the political will to see a breakthrough in bilateral relations. Another signal came in the form of new strategy documents in which Seoul and Tokyo explained their foreign and security policy directions and goals. On Dec. 16, the Kishida government published three national security-related documents—the National Security Strategy (NSS), the National Defense Strategy (NDS), and the Defense Buildup program. On Dec. 28, the Yoon government unveiled South Korea's Strategy for a Free, Peaceful, Prosperous Indo-Pacific Region, its first ever Indo-Pacific strategy. Although each document serves a somewhat different purpose, it is now possible to gauge how similarly or differently Japan and South Korea assess challenges in the international security environment, and how they plan to respond to them.

CHINA-RUSSIA RELATIONS

ENDING THE WAR? OR THE WORLD?......159

BY YU BIN, WITTENBERG UNIVERSITY

As the Ukraine conflict was poised to expand, the "extremely complicated" situation at the frontline (in Vladimir <u>Putin</u>'s words on Dec. 20) gave rise to intensified high-level exchanges between Moscow and Beijing as they searched for both an alternative to the conflict, and stable and growing bilateral ties. As the Ukraine war dragged on and mustered a nuclear shadow, it remained to be seen how the world would avoid what <u>Henry Kissinger</u> defined as a "1916 moment," or a missed peace with dire consequences for not only the warring parties but all of civilization.

INDIA-EAST ASIA RELATIONS

DURING 2022
SATU LIMAYE, EAST WEST CENTER IN WASHINGTON
India's East Asia relations in 2022 followed the arc articulated by External Affairs Minister Dr. S. Jaishankar's address at Chulalongkorn University in Thailand in August 2022. He began by recalling three decades ago India made a "strategic correction to the East" which was "[o]riginallycontemplated as an economic measure, with trade and investment at its core" and mostly focused on ASEAN. He went on to say the geography, concepts, and assessments of India's Indo-Pacific vision have expanded "to cover Japan, Korea and China, and in due course, Australia as also other areas of Pacific Islands[and] facets of cooperation also increasednow cover[ing] connectivity in various forms, people-to-people ties and more recently, defense and security." And while dutifully referencing India's Indo-Pacific policies including Security and Growth for All in the Region (SAGAR) and the Indo-Pacific Oceans' Initiative (IPOI), he gave the most attention to the revitalized Quadrilateral Security Dialogue ("Quad").
ABOUT THE CONTRIBUTORS 183





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REGIONAL OVERVIEW

INDO-PACIFIC AS THE "EPICENTER"

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The Biden administration released its long-awaited *National Security Strategy (NSS)* this trimester, along with unclassified versions of its *National Defense Strategy and Missile Defense and Nuclear Posture Reviews*. There were no big surprises. The *NSS* identified the Indo-Pacific as "the epicenter of 21st century geopolitics" and reaffirmed China as the "pacing challenge," even while branding Russia as "an immediate threat to the free and open international system" as a result of its invasion of Ukraine. Underscoring the priority attached to the region, President Biden attended the East Asia Summit in Phnom Penh and the G-20 Summit in Bali, with Vice President Kamala Harris representing the United States at the annual Asia Pacific Economic Cooperation (APEC) Leaders' Meeting in Bangkok.

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North Korean leader Kim Jong Un was not invited to any of the Asia summits but found other ways to attract attention, including some 70 ballistic missile launches for the year while announcing plans to rapidly produce and potentially use tactical nuclear weapons. Chinese President Xi Jinping, when not busy defending Pyongyang's bad behavior, was busy orchestrating the 20th National Peoples Congress, where he was elected "president for life." Meanwhile, the tech war between Washington and Beijing continued to heat up, much to the dismay of many US allies and partners.



Figure 1 North Korea's leader Kim Jong Un oversees a missile launch at an undisclosed location, in a photo released on Oct. 10, 2022. Photo: KCNA via Reuters

More broadly speaking, the economic outlook for the region appeared discouraging even as the administration failed to put much additional meat on the bones of its own Indo-Pacific Economic Framework (IPEF). Other regional trade agreements continued apace, sans Washington, which struggled to get its own House (pun intended) in order as we continue to ponder the significance of the US mid-term elections.

NSS: Strategic Competition Underway

In his cover letter introducing the 2022 National Security Strategy, President Biden stated "(W)e are in the midst of a strategic competition to shape the future of the international order." He clearly identified the main competitors: China, which "harbors the intention and, increasingly, the capacity to reshape the international order in favor of one that tilts the global playing field to its benefit"; Russia, whose "brutal and unprovoked war on its neighbor Ukraine has shattered peace in Europe and impacted stability everywhere"; and autocrats, like Xi Jinping and Vladimir Putin (among others), who are

"working overtime to undermine democracy and export a model of governance marked by repression at home and coercion abroad."

The NSS outlines two strategic challenges: first, "the post-Cold War era is definitively over and a competition is underway between the major powers to shape what comes next"; and second, "while this competition is underway, people all over the world are struggling to cope with the effects of shared challenges that cross borders—whether it is climate change, food insecurity, communicable diseases, terrorism, energy shortages, or inflation."

The NSS was supposed to have been issued this past spring, but the Russian invasion of Ukraine caused it to be pulled back for a rewrite. Nonetheless, the focus on China, previously outlined in the administration's March 2021 "Interim National Security Strategic Guidance," (which we covered in depth in the May 2001 Regional Overview) was retained. While Russia was deemed the immediate threat, by "recklessly flouting the basic laws of the international order," the PRC remained "the only competitor with both the intent to reshape the international order and, increasingly, the economic, diplomatic, military, and technological power to advance that objective."

The NSS tries to assure the rest of the world that "(W)e do not seek conflict or a new Cold War." It underscores the "critical difference between our vision, which aims to preserve the autonomy and rights of less powerful states, and that of our rivals, which does not."

It identifies the top three US global priorities as: Out-Competing China and Constraining Russia, Cooperating on Shared Challenges, and Shaping the Rules of the Road, while addressing six underlying Key Pillars, which we paraphrase as follows:

- the dividing line between foreign policy and domestic policy is gone: to succeed abroad, the US "must invest in our innovation and industrial strength, and build our resilience, at home";
- alliances and partnerships are "our most important strategic asset" and an "indispensable element" contributing to international peace and stability;
- the PRC is the "most consequential geopolitical challenge" and "there are

- significant global dimensions to this challenge." While Russia "is a source of disruption and instability globally," it "lacks the across the spectrum capabilities of the PRC";
- the world should not be seen "solely through the prism of strategic competition, [we] will continue to engage countries on their own terms";
- globalization has delivered immense benefits "but an adjustment is now required to cope with dramatic global changes";
- the community of nations that "shares our vision for the future of international order is broad and includes countries on every continent."

"Integrated Deterrence" is the "Centerpiece"

The NSS devotes an entire page (page 22) to explaining the concept of integrated deterrence, (first <u>introduced</u> by Defense Secretary Lloyd Austin during a Change of Command Ceremony in Honolulu in April 2021 as the "cornerstone" of US defense strategy). The concept is also featured prominently in the unclassified version as the "centerpiece" of the <u>2022 National Defense Strategy</u> (which for the first time incorporates two previously stand-alone reports: the Nuclear Posture Review and Missile Defense Review).

We are living in a "decisive decade," Secretary Austin notes in his cover letter, further noting that "(T)he 2022 National Defense Strategy (NDS) details the Department's path forward into that decisive decade—from helping to protect the American people, to promoting global security, to seizing new strategic opportunities, and to realizing and defending our democratic values."

Not surprisingly, to those who had read the unclassified <u>Fact Sheet</u> when the classified version was submitted to the Congress in March (or to those who read our <u>earlier analysis</u>), the PRC was identified as "our most consequential strategic competitor for the coming decades." The document is careful in (mostly) using "competitor" and "challenge" in describing the PRC, even as it brands Russia as an "acute threat" and others, like North Korea, Iran, and violent extremist organizations (VEOs) as "persistent threats."

In a direct lift from the Fact Sheet, the *NDS* reaffirmed the following Defense priorities:

- Defending the homeland, paced to the growing multi-domain threat posed by the PRC;
- 2. Deterring strategic attacks against the United States, Allies, and partners;
- 3. Deterring aggression, while being prepared to prevail in conflict when necessary, prioritizing the PRC challenge in the Indo-Pacific, then the Russia challenge in Europe;
- 4. Building a resilient Joint Force and defense ecosystem.

It devotes a full chapter (Chapter IV) to integrated deterrence, which is defined as "using every tool at the Department's disposal, in close collaboration with our counterparts across the US Government and with Allies and partners, to ensure that potential foes understand the folly of aggression." It incorporates deterrence by denial, deterrence by resilience, and deterrence by direct and collective cost imposition. (For more on the concept, see Austin's Dec. 4, 2021 speech at the Reagan National Defense Forum, which we summarized in our January 2022 chapter.

As noted earlier, the Nuclear Posture Review (NPR) and Missile Defense Review (MDR) were incorporated into the NDS. The reports closely echoed the combined 2022 Nuclear Posture Review and Missile Defense Review Fact Sheet. The NPR repeats and emphasizes US declaratory policy when it comes to nuclear weapons: "As long as nuclear weapons exist, the fundamental role of US nuclear weapons is to deter nuclear attack on the United States, our Allies, and partners. The United States would only consider the use of nuclear weapons in extreme circumstances to defend the vital interests of the United States or its allies and partners."

It further notes that the administration "conducted a thorough review of a broad range of options for nuclear declaratory policy—including both No First Use and Sole Purpose policies—and concluded that those approaches would result in an unacceptable level of risk in light of the range of non-nuclear capabilities being developed and 'fielded by competitors . . . even' while retaining "the goal of moving toward a sole purpose declaration," pledging to "work

with our Allies and partners to identify concrete steps that would allow us to do so."

The MDR meanwhile "provides a framework for US missile defenses that is informed by: defense priorities and deterrence objectives as indicated in the NDS; the framework of integrated deterrence; and the multifaceted elements of US missile defenses." It also "identifies how the United States is integrating missile defense with and partners to Allies strengthen international cooperation against shared threats." It further notes that the US will continue to rely on strategic deterrence "to address and deter large intercontinental-range, nuclear missile threats to the homeland" from China and Russia while continuing to "stay ahead" of North Korean missile threats to the homeland through a comprehensive missile defeat approach, complemented by the credible threat of direct cost imposition through nuclear and nonnuclear means."

In comparing this MDR to the 2019 MDR produced by the Trump administration, the evolving threat includes one significant addition: small Uncrewed Aircraft Systems (sUAS) which are "complicating the traditional roles of air and missile defense." The threats are also reordered. In 2019, North Korea had pride of place, followed by Iran and Russia, with China last. This year, China comes first, then Russia, North Korea, and Iran, followed by the sUAS threat. There is also a great deal more attention paid to hypersonic weapons, which "pose an increasing and complex threat due to their (nuclear/conventional) capable nature, challenging flight profile, and maneuverability." Bonnie Glaser's chapter on US-China relations provides more details on how all four documents treat China.

Some Mild Surprises during Regional Summitry

As usual, the last four months of 2022 were chock full with regional summits. There was the usual ASEAN-centered pageantry. Cambodia (as this past year's ASEAN Chair) hosted the East Asia Summit (EAS) on Nov. 13, while Thailand took its turn as host of the annual APEC Leaders' Meeting on Nov. 18–19. Adding to the mix, in the middle of the other two summits, was the G20 Summit, hosted this year by Indonesian President Joko Widodo, on Nov. 15–16. Each was the first inperson event since the pandemic struck and the first since Russia invaded Ukraine.

One of the big questions this year was "Will Vladimir Putin show up?" at any of the meetings. He did not. Russian Foreign Minister Sergey Lavrov attended in his stead, but even he skipped the APEC event. A related question was "How would Ukraine be addressed?" especially since several of the participants, most notably China and India, had been inclined to temper or withhold criticism of Putin's invasion. Surprisingly, at least to us, Moscow did not get a free pass. As nicely summed up by Nikkei in its coverage of the three summits, "India wins, Russia loses, and face-to-face meetings help cool US-China tempers."

East Asia Summit. First up was the EAS along with its series of ASEAN Plus One meetings. This was largely a non-event. The Chairman's Statement, issued by Cambodian Prime Minister Hun Sen, was one of the shortest on record. It contained no reference to Ukraine. Nor did it address regional concerns usually on the ASEAN agenda, such as the South China Sea, Myanmar, or North Korea, even though all these topics were discussed (according to the White House's readout of the meeting). The most positive thing one can say about the Chairman's Statement is that there was one. The last time Cambodia chaired, it was unable (for the first time in ASEAN's history) to produce one. Attempts to produce a more expansive Joint Statement were reportedly thwarted by Russian objections to any reference to the "war" in Ukraine (which, at the time, Moscow still insisted on calling a "special military operation").

The Group of 20. The G20 meeting was more direct (despite Lavrov's presence). Spurred on by a video appearance by Ukrainian President Volodymyr Zelenskyy, the Bali meeting's Leaders Declaration addressed the war in Ukraine head on, citing the UN General Assembly Resolution that "deplores in the strongest terms the aggression by the Russian Federation against Ukraine and demands its complete and unconditional withdrawal from the territory of Ukraine." It further stated that "it is essential to uphold international law and the multilateral system that safeguards peace and stability" and that "the use or threat of use of nuclear weapons is inadmissible." The Declaration noted that "(M)ost members strongly condemned the war in Ukraine and stressed it is causing immense human suffering and exacerbating existing fragilities in the global economy," even while acknowledging that there were "other views and

different assessments of the situation and sanctions."



Figure 2 President Volodymyr Zelensky during his video speech to G20 leaders in Bali. Photo: Ukrainian President's Office

According to White House Press Secretary Karine Jean-Pierre, incoming G20 Chair, Indian Prime Minister Narendra Modi "played an essential role in negotiating the summit's declaration." She further <u>stated</u> that "Prime Minister Modi made clear, 'Today's era must not be of war.'"

There were a number of meetings on the sidelines of the summit, the headline encounter being that between Presidents Biden and Xi, their first face-to-face meeting since Biden took office nearly two years ago and the latter's unprecedented "reelection" to a third term as China's leader (following repeal of the Deng Xiaoping-initiated two-term limit aimed at preventing a new strongman from emerging). As documented in the US-China chapter, the resulting optimism was soon tempered by a healthy dose of realism. The sitdown between Xi and Japanese Prime Minister Kishida Fumio was notable as well, given it was the first encounter by the leaders of Japan and China in three years.

While geopolitics grabbed the headlines, the G20's ostensible goal was "to foster deeper economic cooperation amid the lingering COVID-19 pandemic, spreading inflation and the risk of a global recession." The final communiqué contained a series of economic measures and political commitments. It calls for efforts to promote macroeconomic and financial stability, food and energy security, sustainable energy transition, digital transformation, global health, and a variety of other concerns. This summit may have revived the G20's role as the premier global multilateral economic steering committee, a status that has been eroding since its formation during the Global Financial Crisis.

APEC Leaders' Meeting. Days later, Thailand hosted the annual APEC Leaders' Meeting. Its declaration echoed almost exactly the language of the G20 statement on Ukraine, a telling indication of how well that formulation was received. It reiterated support for World Trade Organization reform and efforts to build a Free Trade Area of the Asia-Pacific, a longstanding ambition that has faded in recent years. There was backing for macroeconomic stability, sustainable finance, and the digital transition, among other issues.

President Biden didn't attend the APEC meeting, jetting off instead to the climate summit in Egypt. Vice President Kamala Harris took his place. First Deputy Prime Minister Andrei Belousov represented Russia. Harris previewed US goals as chair of APEC in 2023, with a "focus on sustainable economic growth," while working with APEC economies "to make new sustainability and decarbonization commitments." She further announced that San Francisco would host the next Leaders' Meeting and associated events. Peru and South Korea will serve as APEC chairs for 2024 and 2025, respectively.

A Bruising Outlook for Regional Economies

The year ahead will be a tough one, with the IMF estimating that "one-third of the world economy to be in recession" as the United States, China, and the European Union all slow simultaneously. In October, the IMF reduced projections for global growth in 2023 to 2.7%, a decrease of 0.9 percentage points over its April estimate. Only during the Global Financial Crisis (2007-09) and the most acute phase of the COVID pandemic were the numbers worse. Revised projections usually come out later in January and growth is expected to be reduced further still.

The causes of the downturn are well known. The war in Ukraine has disrupted trade in Europe and created shortages in food, fuel, and fertilizer around the world. The abrupt reversal of China's zero-COVID policy has led to the spread of the disease throughout that country, fanning fears of another global wave of infections and creating new bottlenecks in international supply chains.

Both of those factors heighten inflationary pressures, adding yet more reasons for central banks to raise interest rates to purge their economies of that danger. The IMF warns that inflation is "the most immediate threat to current and future prosperity." With more than 75 central banks increasing interest rates, the IMF concluded that "It is likely that the world economy will face recession next year as a result of the rises in interest rates in response to higher inflation."

The IMF projects growth in emerging Asia to recover slightly in 2023; after recording 4.4% in 2022, it should expand 4.9% this year. China's growth is anticipated to rise from 3.2% in 2021 to 4.4% in 2023. That is a creditable performance matching regional growth—but it is the first time in four decades that China is not an engine but a drag on performance. According to Kristalina Georgieva, managing director of the IMF, "the impact on Chinese growth would be negative, the impact on the region will be negative, the impact on global growth will be negative." Korea is expected to register 2% growth, a fall from 2.6% the year before. Meanwhile, Japan is forecast to have 1.6% growth this year, a slide of 0.1 percentage points from 2022. India will remain a bright spot, with 6.1% growth expected in 2023.

Mixed Messages from US Politics

The world probably dodged a bullet in the US midterm elections. Projections of a "red wave" an overwhelming victory by Republicans—were premature. Defying history—the party holding the White House typically loses big when the president is not on the ballot—and polling which showed strong support and enthusiasm— Democrats increased their seats in the Senate. claiming a real majority in that chamber, and Republicans gained only a slim majority rather than the double-digit margin that many anticipated. The divisions in the GOP were then made plain in the first week of January when it took 15 ballots—the most in over 100 years—to elect a speaker of the House of Representatives as factions within the party battled for influence.

As we write, it isn't clear what concessions were made to win over the dissenters, but reporting suggests that the Freedom Caucus, which has taken radical, if not extreme, positions on many issues—such as defaulting on US government debt to get it to restrain spending—will have considerable input into legislating. This bodes ill for the ability of the House to do its job, which could cripple Congress as a whole. Observers

expected a Republican-controlled House to focus on frustrating and humiliating the Biden administration but few anticipated that radicals would have such influence, potentially turning an obstructionist body into a destructive one.

For CC readers, the consequences of a GOP victory could be palpable. Expect an even harder position against China: The Republicans announced that they will establish a Select Committee on China to examine all aspects of US policy toward Beijing. Trade controls will continue to tighten and there is a good chance of some form of regulation of outward investment by US companies in China. As a corollary, support for Taiwan will likely increase, as explained in the chapter on China-Taiwan relations. In other words, there is good reason to believe that whatever hopes there may have been for a "reset" following the Biden-Xi summit in Bali will be frustrated.



Figure 3 President Xi Jinping and President Joe Biden meet in person for the first time as national leaders in Bali, Indonesia in November 2022. Photo: Doug Mills/The New York Times

Some GOP members have demanded drastic reductions in US aid to Ukraine. It is not clear how those legislators think about US international commitments more generally, and alliances more specifically. Expect vocal demands for increased defense spending from partners and more threats if they fail to do so.

We've been critics of the Biden administration's regional economic agenda, arguing that the various initiatives such as Build Back Better World or the Indo-Pacific Economic Framework (IPEF) are insufficient. During this reporting period, the first in-person ministerial meeting convened in Los Angeles in September, at which participants agreed to start formal negotiations,

which began when Australia hosted in December the first in-person round of IPEF negotiations aimed at setting economic rules and standards in the Indo-Pacific. The following week US Secretary of Commerce Gina Raimondo hosted a virtual IPEF ministerial, at which all congratulated themselves on the progress made, pledged to do more, and "welcomed the Government of India's confirmation that it will host a special IPEF negotiating round on Feb. 8-11 in India for the IPEF Pillars covering supply chains, clean economy, and fair economy."

We'd like to see more support for the World Trade Organization, rather than continued obstructionism and the crippling of its appellate board. The new Congress is unlikely to have any appetite for the policy revisions we prefer; we expect more pressure for continued pressure against trade partners and calls to reshore production at home, even if it antagonizes allies and partners and contravenes international trade rules.

Tech Tensions Strain Alliances

The confluence of two policies—the tougher line against China and that desire to create jobs at home—is heightening strains in alliances as Washington tightens strategic trade controls. In October, the US imposed new regulations that would restrict China's access to advanced semiconductors, the equipment to make them, and related products and services. The regulations were done unilaterally by the Biden administration, despite months of talks with allied governments (in Japan and Europe) whose firms, along with the Americans, dominate global markets for chipmaking equipment. Those governments were reportedly happy to have Washington take the heat for the moves, sparing them China's anger.

The US continues to press those allies. Commerce Secretary Gina Raimondo <u>explained</u>, "We are ahead of [China]. We need to stay ahead of them. And we need to deny them this technology that they need to advance their military." She added that "I think you will see Japan and Netherlands follow our lead."

Those allied governments are slow to follow the US lead for two reasons. First, they <u>doubt</u> the moves will work. China may be slowed, but its efforts to develop indigenous technology will continue—and likely succeed. Second, they

remain more committed to the Chinese market than their US counterparts. Views are not monolithic of course, but semiconductor-making equipment has become Japan's second-largest export sector, and nearly one-third of Japanese exports (¥970 billion yen, roughly equivalent to \$7.6 billion) goes to China. Meanwhile, US companies complain that the Biden administration's restrictions could cost them as much as \$3 billion in business.

Tensions will increase since more export restrictions are coming. The initial rules addressed chips for supercomputing; those for artificial intelligence, biotech and quantum computing are expected. US efforts to spur domestic production, such as through the Inflation Reduction Act's "green" subsidies for sustainable energy, are also aggravating relations. South Korea and Japan have voiced concern and are reportedly coordinating with Europe to develop a response to the US action.

Emperor Xi

As alluded to above, Xi Jinping has essentially claimed the title of "Emperor for Life" as he put the final nail in the coffin containing Deng Xiaoping thought. Deng was the primary architect of China's rise, spouting homilies like "it doesn't matter if the cat is black or white as long as it catches mice" and "to get rich is glorious." The color of the cat still doesn't matter, as long as it now fully subscribes to Xi Jinping Thought. Getting rich now means painting a huge target on your back. "Hide your strength and bide your time" has been abandoned by "wolf warrior" diplomats who remind neighbors that China is a big country and they are not. And state-owned enterprises have received a new lease on life as loyalty trumps efficiency when it comes to big business (or any business at all).

The (currently unanswered) question is "How will this affect Chinese foreign policy and Chinese behavior going forward?" Thus far, signs are not promising. China has become increasingly assertive and aggressive, especially toward Taiwan, raising concerns about Xi's intentions and timelines. If this activity was aimed at making Taiwan more intimidated and compliant and keeping the rest of the international community at bay, it has failed miserably. Expressions of support for Taiwan's democracy have flourished and volumes are

being written about the need for, and how to, improve Taiwan's defenses. (The Pacific Forum's contribution to this debate can be found here.) The more pressure Xi puts on Taiwan, the more Washington feels compelled to respond, not just rhetorically but through increased arms sales and training as well. The more the US speaks out and/or provides assistance to Taiwan, the more Beijing seems to feel compelled to turn up the pressure. This game of chicken is a recipe for disaster. Making it worse will be the seemingly inevitable trip to Taiwan by House Speaker McCarthy which the administration would be unable to prevent but which Beijing will nonetheless interpret as another example of its support for Taiwan independence.

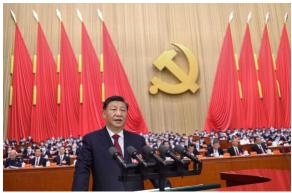


Figure 4 Xi Jinping delivers a speech at the Great Hall of the People in Beijing on Oct. 16. Photo: Ju Peng/Xinhua

Enter North Korea. Meanwhile, Pyongyang seems intent on capitalizing on increased China-US tensions by proceeding with, and boasting about, its nuclear and missile development programs while resting assured that Beijing (and Moscow) will prevent the UN Security Council from responding to its continued violations of numerous existing (supposedly internationallybinding) Resolutions. North Korea conducted some 70 ballistic missile tests in the past year, including tests of intercontinental and submarine-launched missiles. It began the New Year with another launch, as Kim Jong Un vowed an "exponential increase" in his country's nuclear arsenal while promising to "overwhelmingly beef up" its military muscle by developing a new ICBM capable of delivering a "quick nuclear counterstrike" and the launch of the country's first reconnaissance satellite.

Even more disconcerting was Kim Jong Un's reported <u>announcement</u>, at the seventh session of the 14th Supreme People's Assembly on Sept.

9, of what amounts to a "first use" doctrine for its expanding tactical nuclear arsenal. At the meeting, North Korea <u>passed</u> new legislation that further enshrined its nuclear power status and announced five conditions in which the country would launch a preemptive nuclear strike (spoiler alert: just about any time it wanted to). The North also reiterated that it would never give up its nuclear weapons despite sanctions pressures, <u>stating unequivocally</u>, "There will never be any declaration of 'giving up our nukes' or 'denuclearization,' nor any kind of negotiations or bargaining to meet the other side's conditions." In short, the North's nuclear weapons status was "irreversible."

It seems to us more than coincidental that Kim's change in policy to espouse the first use of nuclear weapons when it is "unavoidable" due to "tactical" reasons" appears to echo Vladimir Putin's not-so-veiled threats to use nuclear weapons on the Ukrainian battlefield under unspecified conditions well short of the survival of the Russian state. Meanwhile Beijing, which has been vociferously complaining about how Australia's planned acquisition of nuclear-powered (but conventionally armed) submarines are somehow a gross violation of the Nuclear Non-Proliferation Treaty, remains silent as its erstwhile allies blatantly threaten to use nuclear weapons against its neighbors.

Plainly, there will be much to write about in the next issue of *Comparative Connections* as these trends continue and tensions promise to intensify.

REGIONAL CHRONOLOGY

SEPTEMBER — DECEMBER 2022

- **Sept. 1, 2022:** Chinese e-commerce platform Pinduoduo <u>quietly launches</u> US site, aiming to crack a market dominated by Amazon and where China's Shein is also making inroads.
- **Sept. 1, 2022:** South Korea and the US <u>wrap up</u> Ulchi Freedom Shield exercise.
- **Sept. 2, 2022:** US State Department <u>approves</u> potential \$1.1 billion sale of military equipment to Taiwan, including 60 anti-ship missiles and 100 air-to-air missiles.
- **Sept. 2, 2022:** Office of the US Trade Representative <u>confirms</u> that domestic industry representatives requested continuation of Section 301 tariffs on China and the tariffs accordingly did not expire on their four-year anniversary.
- **Sept. 2, 2022:** Former Sri Lankan president Gotabaya Rajapaksa, who <u>fled and left the country in crisis</u> back in July, returns from Bangkok in an apparent end to his self-imposed exile.
- **Sept. 3, 2022**: Biden administration <u>says</u> it will keep tariffs on hundreds of billions of dollars in Chinese imports while it continues statutory review of duties imposed by former President Donald Trump.
- **Sept. 4, 2022**: Philippine ambassador to the US Jose Manuel Romualdez <u>states</u> that the Philippines may allow the US military access in the event of a Taiwan conflict, "for our own security."
- **Sept. 6, 2022:** Russia <u>purchases</u> millions of rockets and artillery shells from North Korea to re-energize its offensive in Ukraine, as Western sanctions cut Moscow's supply of weapons.
- **Sept. 7, 2022**: State Department <u>approves</u> the potential sale of F-16 aircraft sustainment and related equipment to Pakistan in a deal valued at up to \$450 million.
- **Sept. 7, 2022:** Supreme People's Assembly (SPA), North Korea's rubber-stamp Parliament, <u>opens</u> its 7th session: the second this year. On Sept. 8

- SPA passes a new <u>law</u>, replacing a shorter 2013 statute, reaffirming the DPRK's status as a nuclear weapons state.
- **Sept. 8, 2022**: Japan and India <u>agree</u> to bolster bilateral cooperation on maritime security, including expanding joint drills and setting up a high-level defense dialogue.
- **Sept. 8-9, 2022:** Third ministerial (and first inperson meeting) of the Indo-Pacific Economic Framework (IPEF) is held in Los Angeles. The 14 members declare which pillars that they will <u>negotiate</u> in and agree upon the main issue areas for each pillar.
- **Sept. 9, 2022:** North Korean leader Kim Jong Un publicly <u>expresses</u> determination not to give up the country's nuclear weapons, accusing the United States of seeking the collapse of his regime, not just denuclearization.
- **Sept. 9, 2022:** North Korea <u>celebrates</u> 74th anniversary of its founding. At the 14th Supreme People's Assembly, North Korea announces five conditions for a nuclear preemptive strike, states that it will not share nuclear weapons and technology with other countries, and reaffirms that the country will resist all sanctions and pressures to give up its nuclear weapons.
- **Sept. 11, 2022**: Member nations of the Indo-Pacific Economic Framework <u>agree</u> to start official negotiations to boost regional economic cooperation.
- **Sept. 12, 2022**: Head of a UN team of investigators on Myanmar <u>states</u> that Facebook has handed over millions of items that could support allegations of war crimes and genocide.
- **Sept. 12, 2022**: Indonesia and Norway <u>sign</u> bilateral climate and forest partnership to support Jakarta's efforts to reduce greenhouse gas emissions, even as it reduced deforestation to a 20-year low.
- **Sept. 13, 2022**: UN General Assembly convenes in New York.
- **Sept. 13, 2022**: Thai Prime Minister Prayut Chano-cha, who seized power in a 2014 coup, <u>is</u>

<u>suspended</u> while the court deliberates on the case filed by the opposition.

Sept. 14, 2022: US Senate committee <u>approves</u> legislation that would significantly enhance US military support for Taiwan, including provisions for billions of dollars in additional security assistance, amid increased pressure from China toward the democratically governed island.

Sept. 15, 2022: President Biden signs <u>executive</u> <u>order</u> directing the Committee on Foreign Investments in the United States (CIFUS) to concentrate on specific types of transactions that would give a foreign power access to key technologies that are critical to US economic growth.

Sept. 15, 2022: Four Russian naval ships and three Chinese vessels launch their 2nd joint Pacific patrol.

Sept. 16, 2022: SCO <u>holds</u> its 22nd summit in Uzbekistan, the first in-person gathering since the pandemic. Uzbekistan <u>signs</u> deals worth \$16 billion with China and \$4.6 billion with Russia during respective leaders' visits.

Sept. 16, 2022: Seoul Central District Court <u>dismisses</u> its case for Japan to disclose its state assets in South Korea to pay compensation to comfort women because of its refusal to comply.

Sept. 17, 2022: Indian Prime Minister Narendra Modi <u>tells</u> Russian President Vladimir Putin that now is not the time for war, publicly assailing the Kremlin chief over the conflict in Ukraine.

Sept. 18, 2022: Arleigh Burke-class guided-missile destroyer USS Higgins (DDG 76), in cooperation with Royal Canadian Navy Halifax-class frigate HMCS Vancouver (FFH 331), conducts exercises in the South China Sea.

Sept. 18, 2022: US President Joseph, when asked "Would US forces defend the island (of Taiwan)?" responds "Yes, if in fact there was an unprecedented attack."

Sept. 18, 2022: Two Chinese military drones, the CH-4 and the WZ-7, are reported to have <u>flown</u> <u>near Taiwan</u> for the first time.

Sept. 19, 2022: US President Joe Biden <u>says</u> US forces would defend Taiwan in the event of a

Chinese invasion, his most explicit statement on the issue, drawing an angry response from China that said it sent the wrong signal to those seeking an independent Taiwan.

Sept. 20, 2022: Japan <u>abandons</u> controversial training program for Myanmar cadets, with a Defense Ministry spokesperson saying that the decision was a response to the military junta's shocking execution of four political prisoners in July.

Sept. 21, 2022: Taiwanese government <u>says</u> that it will never allow China to "meddle" in its future after a Chinese government spokesperson said Beijing was willing to make the utmost effort to strive for a peaceful "reunification" with the island.

Sept. 22, 2022: BRICS (Brazil, Russia, India, China, and South Africa) Ministers of Foreign Affairs and International Relations meeting takes place.

Sept. 23, 2022: Top diplomats from the US, Japan, and South Korea <u>meet</u> in New York to coordinate joint response to North Korea's nuclear and missile threats.

Sept. 23, 2022: Nuclear-powered USS *Ronald Reagan* aircraft carrier <u>arrives</u> in South Korea to conduct its first combined drills with the South Korean Navy.

Sept. 23, 2022: Senior diplomats from the United States and China <u>meet</u> with tensions high after an explicit pledge by Biden to defend Taiwan.

Sept. 23, 2022: Quad Foreign Ministers Meeting on the sidelines of the 77th UNGA. Quad countries **promised** "to deepen Quad multilateral cooperation in support of advancing a free and open Indo-Pacific, which is inclusive and resilient" and agreed their "vision is for a region where the rules-based international order is upheld, and where the principles of freedom, rule of law, democratic values, peaceful settlement of disputes, sovereignty, and territorial integrity are respected."

Sept. 25, 2022: North Korea <u>fires</u> a short-range ballistic missile toward the East Sea, the North's fifth missile firing since the Yoon administration took office.

Sept. 26, 2022: Japanese Prime Minister Kishida Fumio <u>kicks</u> off three days of meetings with nearly 40 global leaders in Tokyo to attend state funeral for Abe Shinzo, using the opportunity to renew the ex-leader's push for a "free and open Indo-Pacific."

Sept. 26, 2022: *US Ronald Reagan* Carrier Strike Group <u>conducts</u> series of exercises with ROK Navy.

Sept. 27, 2022: State funeral for Abe Shinzo takes place.

Sept. 28, 2022: North Korea <u>fires</u> two short-range ballistic missiles off its east coast, a day before US Vice President Kamala Harris is set to arrive in Seoul.

Sept. 29, 2022: Court in military-ruled Myanmar <u>jails</u> deposed leader Aung San Suu Kyi and her former economic adviser, Australian Sean Turnell, for three years for violating a secrets law.

Sept. 29, 2022: North Korea <u>fires</u> two short-range ballistic missiles into the East Sea, its third provocation in less than a week. The US quickly <u>condemns</u> the launches but urges North Korea to engage in dialogue.

Sept. 30, 2022: In Taipei, the US government convenes a preliminary meeting of "Chips 4," a new working group of the US, Japan, South Korea, and Taiwan intended to strengthen semiconductor supply chain resiliency and cooperation.

Sept. 30, 2022: China withdraws draft resolution against the AUKUS alliance at the general conference of the International Atomic Energy Agency (IAEA) in Vienna after apprehending that the measure would not receive majority support.

Oct. 1, 2022: Arleigh Burke-class guided-missile destroyer USS Higgins (DDG 76) and fleet replenishment-oiler USNS Rappahannock (T-AO 204), in cooperation with the Royal Canadian Navy and Japan Maritime Self-Defense Forces, conducts exercises in the South China Sea.

Oct. 1, 2022: North Korea <u>fires</u> two short-range ballistic missiles into the East Sea, a day a day after South Korea, the US, and Japan staged an anti-submarine warfare exercise. This marks

North Korea's fourth missile launch within a week.

Oct. 2, 2022: South Korean activists <u>clash</u> with police while launching balloons carrying anti-Pyongyang propaganda materials across the North Korean border, ignoring their government's plea to stop since the North has threatened to respond with "deadly" retaliation.

Oct. 4, 2022: Taiwan <u>vows</u> to safeguard interests amid US-led Chip4 talks, as a senior Taiwanese official says full decoupling from China, Taiwan's largest trading partner, is "not realistic."

Oct. 4, 2022: North Korea fires intermediaterange ballistic missile over Japan, its first launch of an IRBM in eight months and the fifth missile test in just over a week. In response, a South Korean F-15K fighter fires two JADAM precision bombs at a firing range on a Yellow Sea island and air drills with the US in a combined strike package.

Oct. 5, 2022: US aircraft carrier *USS Ronald Reagan* redeploys near the Korean Peninsula in a show of might aimed at deterring further North Korean activity after Pyongyang fired a ballistic missile over Japan.

Oct. 6, 2022: North Korea <u>fires</u> two short-range ballistic missiles into the East Sea, its sixth missile test in under two weeks.

Oct. 6, 2022: US Treasure Department <u>announces</u> sanctions on three individuals for procurement of Russian-made arms from Belarus for the military regime in Myanmar.

Oct. 6, 2022: South Korea, Japan, and the US conduct a joint naval exercise in the East Sea focusing on countering nuclear and missile threats from North Korea.

Oct. 7, 2022: US Commerce Department imposes sweeping export controls against China's semiconductor industry, affecting both US chip design firms and Taiwan suppliers using American technology like TSMC.

Oct. 7, 2022: South Korean Defense Minister Lee Jong-sup <u>meets</u> the commander of the US Indo-Pacific Command in Seoul to discuss North Korea's provocations and the Seoul-Washington alliance.

- **Oct. 9, 2022**: North Korea <u>fires</u> two short-range ballistic missiles into the East Sea, its seventh missile provocation in two weeks.
- Oct. 10, 2022: Malaysian PM Ismail Sabri Yaakob announces dissolution of Parliament, paving the way for the country's 15th general election despite protests by most political parties over holding polls during the monsoon flood season.
- Oct. 10, 2022: North Korean leader Kim Jong Un supervises an exercise of tactical nuclear operation units to check and assess the "war deterrent and nuclear counterattack capability" in response to recent joint US-South Korea military exercises. Kim states that North Korea has "no content for dialogue with the enemies and felt no necessity to do so."
- **Oct. 11, 2022**: Japan <u>lifts</u> border restrictions after almost 2 years and 7 months.
- **Oct. 12, 2022:** Indonesian President Jokowi <u>orders</u> a stress test for the economy amid global uncertainty. His comments follow IMF cuts to its global growth forecast for 2023 amid pressures from the war in Ukraine, high energy and food prices, inflation, and sharply higher interest rates.
- **Oct. 12, 2022:** White House releases its *National Security Strategy*.
- **Oct. 13, 2022:** North Korean leader Kim Jong Un <u>supervises</u> the testfiring of long-range strategic cruise missiles involving units operating "tactical nukes" to send a "clear warning to the enemies" and a demonstration of the country's deterrence capabilities.
- **Oct. 13, 2022:** Philippines <u>seeks</u> to revive its upstream oil industry with redevelopment of an oil field that last produced in the early 1990s, as it hopes to wean itself off fuel imports, according to energy officials.
- **Oct. 14, 2022**: North Korea <u>fires</u> a short-range ballistic missile into the sea and hundreds of artillery rounds near the border with the South.
- **Oct. 14, 2022:** South Korea <u>announces</u> new unilateral sanctions against North Korea, the first in five years, designating 15 individuals and 16 organizations for their involvement with the nuclear and missile programs.

- **Oct. 14, 2022**: Around 10 North Korean military aircraft <u>fly</u> close to the border with South Korea, prompting the South Korean Air Force to scramble F-35A stealth fighters and other assets.
- **Oct. 16, 2022:** Xi Jinping <u>opens</u> the Chinese Communist Party's twice-a-decade National Congress by pledging to never renounce using force to take control of Taiwan while championing a clampdown on Hong Kong's prodemocracy movement. Congress continues until Oct. 22.
- **Oct. 17, 2022:** Maritime forces from the US, Canada, and Japan <u>conduct</u> exercises in the South China Sea in support of Royal Australian Navy forces.
- **Oct. 17, 2022**: Singapore and Vietnam <u>ink</u> new agreements to deepen collaboration in trading renewable energy and working on carbon credit projects.
- **Oct. 17, 2022**: Japanese Prime Minister Kishida Fumio <u>sends</u> a ritual offering to Yasukuni Shrine, but does not visit the shrine.
- **Oct. 18, 2022**: Japan <u>announces</u> additional sanctions on North Korea and freezes the assets of five organizations for their involvement with the nuclear and missile programs.
- **Oct. 19, 2022**: Indian National Congress <u>elects</u> its first president outside the Gandhi family in over 20 years, party veteran Mallikarjun Kharge.
- **Oct. 19, 2022:** North Korea <u>fires</u> around 100 artillery rounds into the Yellow Sea and another 150 rounds into the East Sea, into the eastern and western buffer zones north of the Northern Limit Line.
- **Oct. 21, 2022**: Sri Lanka's Parliament <u>passes</u> a constitutional amendment aimed at trimming presidential powers, beefing up anti-corruption safeguards, and helping to find a way out of the country's worst financial crisis since independence.
- **Oct. 21, 2022:** Philippine President Ferdinand Marcos, Jr., announces that Manila will drop a \$215 million helicopter deal with Russia and instead purchase military helicopters from the United States.

Oct. 22, 2022: Chinese President Xi <u>seals</u> his bid for a third term while his deputy and several other top officials got the boot as the country's top leadership meeting wrapped up.

Oct. 24, 2022: Department of Justice <u>charges</u> individuals for alleged participation on malign schemes in the US on behalf of the Chinese government, including conspiracy to forcibly repatriate Chinese nationals, obstruction of judge, and acting as illegal agents of a foreign country.

Oct. 25, 2022: Goto Shigeyuki, a former health minister, <u>is chosen</u> to replace Yamagiwa Daishiro as Japan's economic revitalization minister, who resigned due to controversy surrounding his ties with the Unification Church.

Oct. 26, 2022: Cambodia, current chair of the Association of Southeast Asian Nations, <u>says</u> the bloc is gravely concerned about escalating violence in Myanmar.

Oct. 26-30, 2022: India's navy hosts the 29th edition of the Singapore-India Maritime Bilateral Exercise (SIMBEX) at Visakhapatnam.

Oct. 27, 2022: Secretary of Defense Austin releases 2022 National Defense Strategy, which codifies China as the US military's pacing challenge and seeks to prevent the PRC's dominance of key regions. He also releases the Nuclear Posture Review and the Missile Defense Review.

Oct. 28, 2022: Taiwan's Mainland Affairs Council head <u>states</u> that China should stop sabre-rattling against Taiwan and maintain peace and stability, as Beijing ramped up political and military pressure on the island.

Oct. 28, 2022: North Korea <u>fires</u> two short-range ballistic missiles toward the East Sea.

Oct. 30-Nov. 5, 2022: South Korea and the United States <u>conduct</u> the five-day *Vigilant Storm* exercise involving stealth jets and more than 240 aircraft.

Oct. 31, 2022: Chinese President Xi <u>tells</u> visiting leader of Vietnam's ruling Communist Party that both countries and parties should "never let anyone interfere" with their progress, state broadcaster CCTV reports.

Oct. 31, 2022: South Korea and Poland <u>sign</u> agreement to jointly push for a plan to build a nuclear power plant in the European nation, raising hopes for Seoul's first nuclear power plant export in more than a decade.

Nov. 1, 2022: Chinese Premier Li Keqiang <u>chairs</u> the 21st SCO Prime Ministerial meeting.

Nov. 2, 2022: North Korea <u>launches</u> a barrage of missiles and artillery shells, with one short-range ballistic missile flying across its de facto maritime border with South Korea.

Nov. 2, 2022: North Korea <u>fires</u> multiple ballistic missiles, including one that triggered an alert for residents in parts of central and northern Japan to seek shelter.

Nov. 2, 2022: Rights group Amnesty International <u>claims</u> that aviation fuel supply chains connect foreign companies to the Myanmar junta's airstrikes on civilians.

Nov. 3, 2022: North Korea <u>fires</u> intercontinental ballistic missile and two short-range missiles toward the East Sea.

Nov. 4, 2022: North Korea <u>fires</u> three short-range ballistic missiles toward the East Sea.

Nov. 4, 2022: Foreign ministers of Canada, France, Germany, Italy, Japan, Britain, and the US <u>include Taiwan</u> in their G7 meeting statement, saying they "reaffirm the importance of peace and stability across the Taiwan Strait and call for the peaceful resolution of cross-Strait issues."

Nov. 5, 2022: North Korea <u>fires</u> four short-range ballistic missiles toward the Yellow Sea on the last day of the *Vigilant Storm* drill of South Korea and the United States.

Nov. 6, 2022: Japan's Maritime Self-Defense Forces <u>hold</u> international naval fleet review, with South Korea's navy participating amid efforts by the two countries to thaw their icy relations.

Nov. 7, 2022: North Korean state media reports that it has never had arms dealings with Russia and has no plans to do so, after the US said North Korea appears to be supplying Russia with artillery shells for its war in Ukraine.

Nov. 8, 2022: After meeting his Russian counterpart for the fifth time this year, India's foreign minister <u>says</u> that India will continue buying Russian oil because it benefits the country, adding that the two countries were expanding trade ties.

Nov. 8, 2022: President Biden <u>extends</u> for an additional year the national emergency declared in 2020 related to the threat from securities investments that finance certain Chinese companies.

Nov. 8, 2022: North Korea <u>launches</u> one short-range ballistic missile toward the East Sea. The missile is assumed to be one of North Korea's new SRBMs.

Nov. 8, 2022: US midterm election take place, with Republicans capturing a majority in the House of Representatives but Democrats retaining control of the Senate.

Nov. 11, 2022: Southeast Asian heads of government <u>issue</u> a "warning" to Myanmar to make measurable progress on a peace plan or risk being barred from ASEAN meetings, as social and political chaos escalates in the country.

Nov. 12, 2022: US <u>upgrades</u> ties with ASEAN, elevating their relationship to a "comprehensive strategic partnership," vowing to deliver more aid as President Biden steps up efforts to counter China's growing influence in the regional bloc.

Nov. 12-13, 2022: President Biden participates in the East Asia Summit in Cambodia and the adjacent US-ASEAN Summit. Presidents Xi Jinping of China and Vladimir Putin of Russia do not attend the EAS

Nov. 13, 2022: Japanese PM Kishida <u>criticizes</u> Beijing for stepping up actions that infringe on Japan's sovereignty in the East China Sea at an annual summit of ASEAN and its partners.

Nov. 14, 2022: President Biden and President Xi hold a three-hour meeting on the sidelines of the G20 summit in Bali, Indonesia, their first inperson meeting as presidents. President Biden warns President Xi that the US would enhance its security position in Asia if Beijing cannot rein in North Korea's weapons programs. During a three-hour meeting the two leaders also had strong words about Taiwan.

Nov. 14, 2022: President Yoon Suk Yeol of South Korea <u>meets</u> Indonesian President Joko Widodo, discussing potential areas of cooperation between the two economies in high-tech and clean energy sectors.

Nov. 15, 2022: FM Wang Yi meets Russian FM Lavrov on the sidelines of the G20 meeting in Indonesia. Wang tells Lavrov that China endorses Russia's no nuclear pledge on Ukraine and acknowledges that Russia reiterated its position that a nuclear war was "impossible and inadmissible."

Nov. 15-16, 2022: G20 Summit takes place Nov. 15-16.

Nov. 16, 2022: President Xi <u>criticizes</u> Canadian Prime Minister Justin Trudeau in person over alleged leaks of their closed-door meeting at the G20 summit, a rare public display of annoyance by the Chinese leader.

Nov. 16, 2022: ROK President Yoon and Japanese Prime Minister Kishida <u>agree</u> to seek a quick settlement of the issue of compensation for Korean victims of wartime forced labor, a key point of contention between the two neighbors, during their summit in Cambodia.

Nov. 16–17, 2022: Thailand <u>hosts</u> the Asia Pacific Economic Cooperation (APEC) meeting and brokers a consensus statement that calls Russia out for the war in Ukraine.

Nov. 17, 2022: North Korea <u>fires</u> one short-range ballistic missile into the East Sea.

Nov. 17, 2022: South Korea and the United States co-host the Symposium on Countering DPRK Cyber-Exploitation of Cryptocurrency Exchanges. Officials from more than a dozen countries discuss ways to counter cryptocurrency theft and other illegal cyber activities of North Korea.

Nov. 17, 2022: Myanmar junta <u>releases</u> 5,800 prisoners, 400 of whom are estimated to be political detainees including Australian economist Sean Turnell and US citizen Kyaw Htay Oo.

Nov. 17, 2022: Japan and China <u>hold</u> their first summit in about three years as Japanese companies struggle to find a balance between maintaining a presence in the world's No. 2

economy and responding to US calls to diversify. The meeting between PM Kishida and President Xi comes ahead of the annual Asia-Pacific Economic Cooperation leaders meeting.

Nov. 18, 2022: Myanmar's ruling military <u>says</u> that it did not engage in bargaining with other countries before releasing four foreign prisoners among nearly 6,000 in an amnesty this week.

Nov. 20, 2022: Japanese PM Kishida <u>sacks</u> internal affairs minister Terada Minoru over a funds-related scandal amid falling support ratings for his Cabinet. Terada is the third Cabinet minister to go in under one month.

Nov. 21, 2022: Malaysian opposition leader Anwar Ibrahim <u>seeks</u> backing from the graft-tainted incumbent coalition and his longtime rival to form a government, in a bid to gain an edge over opponent Muhyiddin Yassin, after a tumultuous election delivered a hung Parliament.

Nov. 22, 2022: US VP Kamala Harris <u>wraps</u> up a three-day visit to the Philippines by flying to an island that faces the disputed South China Sea, making her the highest-ranking US official to visit Palawan, which has been at the front-line of the maritime feud between China and several Southeast Asian countries.

Nov. 23, 2022: Malaysia's King Abdullah <u>calls</u> special meeting of hereditary sultans to discuss who should be prime minister as an unprecedented post-election crisis enters its fourth day.

Nov. 24, 2022: 9th ASEAN Defense Ministers' Meeting-Plus (ADMM-Plus) <u>convenes</u> in Siem Reap, Cambodia, where regional defense chiefs adopt a joint declaration to promote peace and security in the region.

Nov. 25, 2022: South Korean President Yoon warns that the government might step in to break up a nationwide strike by truckers, describing it as an illegal and unacceptable move to take the national supply chain "hostage" during an economic crisis.

Nov. 26, 2022: Malaysia's new prime minister, Anwar Ibrahim, <u>says</u> he will continue to maintain stable ties with China as he seeks to emphasize economic engagement, while avoiding confrontation on contentious issues.

Nov. 26, 2022: Taiwan's opposition Nationalist (Kuomintang or KMT) Party scores a major victory over President Tsai Ing-wen's Democratic Progressive Party (DPP) in islandwide local elections.

Nov. 27, 2022: Congressional and other sources <u>claim</u> that weapons deliveries to Taiwan amount to \$18.7 billion, up from more than \$14 billion a year earlier.

Nov. 28-Dec. 11, 2022: India-Australia bilateral training exercise "AUSTRA HIND 22" between contingents of the Indian Army and the Australian Army <u>takes place</u> at Mahajan Field Firing Ranges (Rajasthan).

Nov. 28-Dec. 12, 2022: India-Malaysia joint military annual training exercise "Harimau Shakti -2022" is <u>conducted</u> at Pulai, Kluang, Malaysia.

Nov. 30, 2022: Delhi <u>responds</u> to criticism from Beijing regarding India-US military exercises, with India's External affairs spokesperson Arindam Bagchi saying China "needs to reflect and think about its own breach of these agreements of 1993 and 1996."

Nov. 30, 2022: India assumes the G20 presidency.

Nov. 30, 2022: Jiang Zemin, China's paramount leader during the 1997 Hong Kong handover and 2001 entry into the World Trade Organization, dies at age 96.

Dec. 1, 2022: Korean government <u>asks</u> the US to include car-sharing EVs such as Uber and Lyft in the EV tax incentives under the Inflation Reduction Act.

Dec. 1, 2022: President Biden and French counterpart Emmanuel Macron <u>reiterate</u> the importance of peace and stability across the Taiwan Strait and expressed concerns over the challenges posed by China.

Dec. 1, 2022: India <u>takes over</u> as president of the G20 for next year's summit that is scheduled to be held in New Delhi. India's FM Jaishankar says the presidency is a "crucial responsibility that is being assumed by India at a very challenging time in world politics."

Dec. 2, 2022: Canada <u>will increase</u> its role in the Indo-Pacific and challenge China when it

disrupts the international order, Foreign Minister Melanie Joly says, stating that "international norms have kept us safe since the Second World War and therefore need to be respected."

Dec. 2, 2022: South Korea <u>imposes</u> sanctions targeting eight persons and seven agencies seen as complicit in the DPRK's WMD programs.

Dec. 5, 2022: North Korea <u>fires</u> 130 artillery shells into inter-Korean maritime buffer zones.

Dec. 6, 2022: Indonesian Parliament votes to revise the country's Criminal Code to criminalize adultery, sex outside marriage, and insults to the president or other state authorities.

Dec. 6, 2022: China <u>moves</u> one step closer to reopening by relaxing COVID-19 control measures and allowing some who test positive to isolate at home.

Dec. 6, 2022: US Defense Security Cooperation Agency (DSCA) announces two arms sales approvals for Taiwan, with a total value of \$428 million, which includes spare parts for the F-16 Fighting Falcon, Indigenous Defense Fighter, and C-130 military transport aircraft.

Dec. 6, 2022: "Tool-in" ceremony <u>celebrating</u> installation of the first equipment at TSMC's factory in Arizona marks the start of a new era of semiconductor manufacturing in the US and for Taiwan Semiconductor Manufacturing Company, with Biden flying in for the ceremony.

Dec. 7, 2022: China and Saudi Arabia sign 34 energy and investment deals as President Xi vows to strengthen the comprehensive strategic partnership with Riyadh during his first visit to the Middle East since 2016.

Dec. 7, 2022: US <u>downgrades</u> diplomatic relations with Myanmar, with the incumbent US ambassador returning home later this month and Washington deciding not to send a successor.

Dec. 8, 2022: Bharatiya Janata Party (BJP) <u>storms</u> to power in Gujarat with a historic mandate, winning a record-breaking 156 of 182 seats, a seventh consecutive victory for the party in the native state of Prime Minister Narendra Modi.

Dec. 12, 2022: South Korea's foreign minister tells his Chinese counterpart that the country

expects China to actively support South Korea's efforts for dialogue with North Korea.

Dec. 12, 2022: Indonesia <u>summons</u> a United Nations official after the organization expressed concerns over threats to civil liberties posed by the newly-ratified revisions to its criminal code.

Dec. 13, 2022: India's defense minister <u>says</u> that Indian troops prevented Chinese soldiers from entering Indian territory during a border scuffle that led to injuries on both sides in the first such clash since 2020 between the Asian giants.

Dec. 13, 2022: Top nuclear envoys of South Korea, the US, and Japan <u>hold</u> trilateral meeting in Jakarta amid speculation that North Korea may carry out another nuclear test.

Dec. 14, 2022: US Forces Korea <u>launch</u> a new space forces unit as the allies ramp up efforts to better counter North Korea's evolving nuclear and missile threats.

Dec. 14, 2022: Leaders from ASEAN and the EU resolve to cooperate more on everything from clean energy to security, as they gathered in Brussels for the first-ever summit between the blocs.

Dec. 15, 2022: Australia <u>signs</u> new security deal with Vanuatu. It comes amid intensified competition with China in the Pacific, after Beijing's own security deal with the Solomon Islands.

Dec. 16, 2022: Japan issues the <u>National Security Strategy</u> (NSS), the <u>National Defense Strategy</u> (NDS), and the <u>Defense Buildup program</u>. South South Korea <u>issues</u> strong protest against Japan's territorial claim over disputed islands made in a national security strategy released on Friday while cautiously responding to Tokyo's plans for an unprecedented military buildup.

Dec. 16, 2022: UN General Assembly <u>passes</u> a resolution calling for international efforts to improve human rights conditions in North Korea, making this the 18th consecutive year the General Assembly has adopted such a resolution.

Dec. 16, 2022: Malaysian political parties supporting PM Anwar Ibrahim <u>sign</u> a cooperation pact promising to ensure stability, ahead of a confidence vote on the premier next week.

Dec. 18, 2022: North Korea <u>fires</u> two ballistic missiles toward the sea off the Korean Peninsula's east coast, days after the country tested a high-thrust solid-fuel engine that experts said would allow quicker and more mobile launch of ballistic missiles.

Dec. 19, 2022: North Korea <u>conducts</u> an "important final-stage" test that evaluates the capabilities of putting a military reconnaissance satellite into orbit.

Dec. 19, 2022: Local government in China's Xinjiang region <u>scrubs</u> detailed data on monthly exports from its customs website after the US slapped a ban on shipments over forced labor concerns.

Dec. 20, 2022: South Korea, the United States, and 13 other member nations <u>participate</u> in US-led Indo-Pacific Economic Framework ministerial meeting.

Dec. 20, 2022: Operator of the Hong Kong Stock Exchange <u>opens</u> its first US office in New York to attract foreign companies interested in listing in the Asian financial hub, even as US-China tensions weigh on the bourse's profits.

Dec. 21, 2022: North Korea reportedly <u>conducts</u> first static ground test of a large solid-propellant rocket motor, the first indication that the regime is developing a propulsion system usable in intercontinental ballistic missiles (ICBMs) or ICBM-range submarine-launched ballistic missiles.

Dec. 21, 2022: Australian Foreign Minister Penny Wong <u>arrives</u> in China to mark the 50th anniversary of bilateral ties, potentially offering an opportunity to mend relations that have soured over trade and security tensions.

Dec. 21, 2022: World Trade Organization <u>rejects</u> US efforts to attach "Made in China" label to products manufactured in Hong Kong.

Dec. 23, 2022: Japan <u>announces</u> a defense spending hike of more than 26% for the following year—its biggest increase since World War II—in response to concerns over a potential invasion of Taiwan. The amount includes \$1.6 billion to purchase US-made Tomahawk cruise missiles.

Dec. 23, 2022: North Korea <u>fires</u> two short-range ballistic missiles into the East Sea, following the combined South Korea-United States air drills the day before.

Dec. 26, 2022: Five North Korea drones <u>cross</u> the inter-Korean border, with one flying over northern Seoul. South Korea fails to shoot down the five drones but sends its own drones to the border, with some crossing the border to carry out surveillance and other operations.

Dec. 27, 2022: President Tsai Ing—wen of Taiwan announces that conscription for all young men born after 2005 will be extended from 4 to 12 months beginning in 2024.

Dec. 28, 2022: US <u>authorizes</u> the sale to Taiwan of *Volcano* (vehicle-launched) antitank minelaying systems, valued at \$180 million.

Dec. 29, 2022: President Biden signs into law the \$1.65 trillion Omnibus Consolidated Appropriations Act covering funding for the US government for fiscal year 2023 that includes provisions to authorize \$2 billion in loans to Taiwan to buy weapons from the US.

Chronology prepared by Pacific Forum research intern Farah Ibrahim



COMPARATIVE

CONNECTIONS

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

US-JAPAN RELATIONS

RAMPING UP DIPLOMACY AND DEFENSE COOPERATION

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In the wake of the death of former Prime Minister Abe Shinzo, the fall brought unexpectedly turbulent politics for Prime Minister Kishida Fumio. In the United States, however, President Joe Biden welcomed the relatively positive outcome of the midterm elections, with Democrats retaining control over the Senate and losing less than the expected number of seats in the House. Diplomacy continued to be centered on various impacts of the Russian invasion of Ukraine, but both Biden and Kishida focused their attention on a series of Asian diplomatic gatherings to improve ties. Chinese President Xi Jinping's attendance at the G20 Meeting in Bali and APEC gathering in Bangkok proffered the opportunity finally for in-person bilateral meetings for both leaders. Finally, Japan's long awaited strategic documents were unveiled in December. A new <u>National Security Strategy</u> (NSS) took a far more sober look at China's growing influence and included ongoing concerns over North Korea as well as a growing awareness of Japan's increasingly difficult relationship with Russia.

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Accompanying the NSS is a 10-year defense plan, with a five-year build-up commitment, that gave evidence that Kishida and his ruling coalition were serious about their aim to spend-2% of Japan's GDP on its security. The desire for greater lethality was also there, with the inclusion of conventional strike investment.

Politics in Play for Kishida and Biden

On Sept. 27, the Kishida administration hosted a state funeral for Abe at the Nippon Budokan Hall in Tokyo. More than 4,300 guests attended the ceremony to pay their respects to the former prime minister, including the leaders of Australia, Cambodia, India, Singapore, and Vietnam. Vice President Kamala Harris led the US delegation, which also featured US Trade Representative Katherine Tai, Ambassador to Japan Rahm Emanuel, National Security Advisor to the Vice President Philip Gordon, former Chairman of the Joint Chiefs of Staff Adm. Michael Mullen, Commandant of the US Coast Guard Adm. Linda Fagan, former Deputy Secretary of State Richard Armitage, former National Security Advisor Stephen Hadley, and the last four US ambassadors to Japan (Bill Hagerty, Caroline Kennedy, John Roos, and Thomas Schieffer).

Kishida's decision to hold a state funeral for Abe was an unusual one. While state funerals for political leaders used to be more common prior to World War II, after the war, the state funeral law was abolished. Instead, the tradition became for funerals for prime ministers to be organized jointly between the state and the leader's political party. The only other state funeral for a prime minister was held in 1967 for Yoshida Shigeru, who signed the San Francisco Treaty ending the US occupation of Japan and restoring Japan's relations with the Allied powers. However, Kishida said that the state funeral for Abe was "appropriate" given his tenure as Japan's longest-serving prime minister and his security and economic policy achievements that elevated the country's status on the international stage.

Nevertheless, Abe's state funeral <u>prompted</u> <u>considerable opposition</u> within Japan. Nearly all major public opinion polls found that <u>over half of the public</u> opposed the state funeral. Among opponents, many expressed a sense that their government was forcing them to mourn Abe despite his <u>divisive legacy</u>. Others criticized the <u>lack of a clear legal basis</u> and <u>high estimated cost</u>

to taxpayers of 1.7 billion yen (\$12 million), a <u>figure</u> the government later said was closer to 1.2 billion yen (\$8 million). The state funeral also rankled many who felt that Kishida had not done enough to address Abe and other LDP members' <u>ties to the Unification Church</u>, a link believed to be a major motivation behind Yamagami Tetsuya's decision to assassinate Abe.



Figure 1 Akie Abe, the widow of former Japanese prime minister Shinzo Abe, carries his ashes past Japan's Prime Minister Fumio Kishida as she arrives for the start of his state funeral. Photo: Philip Fong / AFP

On this last point, Kishida made repeated efforts throughout the fall to demonstrate his government's and his party's commitment to distancing themselves from the Unification Church—and to holding the church accountable for its predatory practices. On Aug. 31, Kishida said that the LDP would cut all ties with the church. He also announced that he had tasked LDP Secretary General Motegi Toshimitsu with conducting a party-wide survey of all Diet members' connections to the group. A week later, Motegi shared his findings that around half of LDP lawmakers had dealings with the church.

On Oct. 17, Kishida announced a <u>formal investigation</u> of the Unification Church. Depending on the outcome of the investigation, and after a subsequent court judgment, the church could lose its official status as a religious corporation and its related tax benefits, though it would still be allowed to conduct activities in Japan. Kishida's government also became the first ever to invoke the "<u>right to question</u>" provision of the Religious Corporation Law to seek information from the Unification Church about its operations. On Dec. 10, Japan's Parliament further enacted a law <u>banning organizations</u> from <u>maliciously soliciting donations</u>, which was intended to address the

controversy surrounding the fundraising practices of the church.

Despite Kishida's efforts, the Japanese public still appears unsatisfied. The approval rating for the prime minister continued to decline month after month, with some polls indicating that by December, Kishida's support rating had fallen below 30% and entered the so-called "danger zone" where prime ministers risk losing office. The final months of 2022 also witnessed four of Kishida's Cabinet ministers resign from their posts for reasons including Unification Church ties, death penalty comments, and funding scandals.

In the United States, Biden's approval ratings were also low but managed to <u>hold steady</u> throughout the fall at about 40 to 45%. Some polls even suggest that Biden may have received a <u>minor bump</u> in approval after his Democratic Party performed better than expected in the midterm elections on Nov. 8. In most midterm elections, losses for the incumbent party are the norm. The Democratic Party did lose control of the House of Representatives to the Republican Party, as expected, but surprisingly maintained their control of the Senate.

The midterm results mean that the United States will enter a new period of divided government when the Congress begins its next session in January. While Republican leaders in the House are already facing challenges in governing with their slim majority, many expect the party to at least find common cause in stymieing much of Biden's legislative agenda for the next two years. The silver lining for the Democratic Party is that their Senate majority should allow the Biden administration to continue making senior appointments in the executive and judicial branches without significant opposition.

Two points are worth keeping an eye on in the months ahead. First, US support for the Ukraine is expected to be a <u>focal point</u> for the new Congress. Second, there now seems to be uniform skepticism on both sides of the aisle about China. Last July, Kevin McCarthy praised Speaker of the House Nancy Pelosi's Taiwan visit and said that he, too, <u>would visit Taiwan</u> if he became speaker. After a <u>historic 15 rounds of voting</u>, McCarthy was finally elected speaker on Jan. 7, though as of this writing we have yet to hear if he will follow through with his Taiwan pledge.

Ramping up Japan's Defense

2022 proved a watershed year for Japan's military planning. A new <u>National Security Strategy</u>, crafted across the Cabinet, laid out a stark assessment of Japan's view of the world. China loomed large, of course, with the strategy saying that Japan would "<u>strongly oppose</u> China's growing attempts to unilaterally change the status quo by force, demand it to not conduct such activities, and respond in a calm and resolute manner."

Threats were identified as the main driver of a wholesale change in Japan's defense planning. China, North Korea, and Russia were singled out for particular attention, but it is clearly China that dominates Japanese thinking. Beijing's intentions toward Taiwan were clearly on the minds of planners, and there were signs, too, that the Russian invasion of Ukraine had created a deeper sense of urgency in Japanese military planning. The 10-year defense plan includes an across-the-board improvement in capabilities and suggests that the SDF needs to ready itself for the possibility of a major conflict. From new weapons systems, such as long-range missiles, to an emphasis on the new domains of space and cyber, to the nuts and bolts of military readiness—such as ammunition, fuel, and other supplies required for sustained war fightingthe plan covered all bases in the SDF's needs should a crisis erupt.

organizational changes were suggested. The SDF will now have a joint operational command, a reform that has been discussed since the response to the 2011 Great East Japan Earthquake demonstrated the need integrated command. An important expansion of cyber security personnel is also planned, adding another capability for offensive operations if required to defend Japan. Planned upgrades in intelligence gathering include integrating signals intelligence with human intelligence capabilities. Furthermore, Japanese Ministry of Defense also pointed to the need to ready both military and civilian airfields and ports for use in the case of a conflict. The list of upgrades is comprehensive.

Washington was quick to commend Japan's doubling down on its defenses. Both Secretary of State Antony Blinken and Secretary of Defense Lloyd Austin publicly acknowledged the importance of this comprehensive commitment to improving Japan's military. In press

statements, Blinken said that "Japan's new documents reshape the ability of our Alliance to promote peace and protect the rules-based order," while Austin praised Japan's actions as underpinning "continuing bilateral efforts to modernize the Alliance, bolster integrated deterrence, and address evolving regional and global security challenges through cooperation with likeminded allies and partners."

Tokyo's strategic review paved the way for a similar adjustment in US-Japan alliance force posture and an eventual revision of the expected roles and missions between the two militaries once Japan's capabilities are enhanced. The three strategy documents also reveal the extent to which Japan is readying itself for security cooperation with two other US allies: Australia and the UK. On Oct. 22, Japan and Australia signed a new defense agreement, and on Jan. 11, Japan and the UK concluded their Reciprocal Access Agreement to allow their forces to operate in each other's countries. Japan and the US are also deepening their cooperation on providing security assistance to the Philippines.

Yet, for all this ambition, there remain considerable knots to untie in terms of implementation. First, and perhaps most important, Prime Minister Kishida will need to finance his ambitious new military plan. Over the next five years, a projected budget of 43 trillion yen (\$318 billion) will be needed. Already, in early December, political lines were being drawn prior to announcing the new strategic documents. The Ministry of Finance, of course, wants to avoid increasing the national debt, and Kishida said he, too, is concerned about funding his defense expansion through bonds. Instead, Kishida would like to ask the Japanese to pay an added defense tax. Whether this would be a tax aimed primarily at corporate Japan or at individual citizens remains unclear. But few Japanese welcomed the idea of new taxes, especially as Japan sought to emerge from the economic consequences of the COVID-19 pandemic.

A second challenge is for the alliance. The prospect of increasing tensions between China and Taiwan makes it imperative that Tokyo and Washington align their planning for a possible crisis or, in a worst-case scenario, a conflict across the Taiwan Strait. Japan's defenses writ large will be at stake should the United States and China find themselves at war, but it remains unclear if and how the SDF can play a role directly in a Taiwan scenario. Another knot that will take

time to untangle for the US-Japan alliance is how Japan's decision to introduce conventional strike capability will be addressed in allied military planning. While the added capability is a welcome addition to the combined US-Japan deterrent, political questions about how and when that capability will be used remain to be explored.

US-Japan Diplomatic Alignment

Beyond the security upgrades of late, there has been a remarkable calibration of US-Japan diplomacy. Two examples illustrate this in the fall of 2022. First, in a series of multilateral gatherings in Asia, President Biden and Prime Minister Kishida had the opportunity to engage directly with Chinese President Xi Jinping, the first in-person meetings since the dramatic rise in tensions after Speaker Nancy Pelosi's visit to the region. The G20 meeting hosted by Indonesia in Bali on Nov. 15-16 began a week-long Asian diplomatic engagement. Biden and Xi had a three-hour long conversation on the sidelines that prompted the two to commit to high-level discussions on how to mitigate the risk of escalated tensions between the two militaries.



Figure 2 Japanese Prime Minister Kishida Fumio meets Chinese President Xi Jinping on the sidelines of the Asia-Pacific Economic Cooperation (APEC) Summit in Bangkok. Photo: Kyodo via Reuters

Biden reiterated that US-China competition should not veer into conflict and underscored the need for the United States and China to manage their competition responsibly and maintain open lines of communication. The two leaders discussed the importance of developing principles that would advance these goals and tasked their teams to discuss them further.

Talks <u>covered a range of topics</u>, including in a series of follow-up meetings. In December, Assistant Secretary of State for East Asia and Pacific Affairs Daniel Kritenbrink and National Security Council Senior Director for China and Taiwan Laura Rosenberger <u>traveled</u> to Beijing to prepare for a visit there in early 2023 by Secretary of State Blinken. Perhaps, too, there will be a visit to Washington, DC by President Xi in 2023.

On Nov. 17, Kishida had his bilateral meeting with Xi on the sidelines of the APEC meeting in Bangkok. After August's military tensions over Taiwan, then Foreign Minister Wang Yi canceled a scheduled meeting with Japanese Foreign Minister Hayashi Yoshimasa. But weeks later, Kishida's National Security Advisor Akiba Takeo traveled to China where he met State Councilor Yang Jiechi. Foreign Minister Hayashi had hoped to visit Beijing by year's end as a follow up to the prime minister's meeting with Xi, but China postponed the visit after Japan announced its new National Security Strategy. In the meantime, a new Chinese foreign policy team has been announced. The newly appointed foreign minister is Qin Gang, formerly ambassador to the United States and confidante to Xi, and former Foreign Minister Wang Yi has been promoted to the Politburo of the Chinese Communist Party, where he is expected to wield considerable influence over China's foreign policy.

Yet, the remarkable convergence of diplomacy between the United States and Japan is not all about China. Washington and Tokyo are firmly aligned also in the broader global effort to respond to Russian aggression against Ukraine. Indeed, the visit of Kishida to Washington on Jan. 13 was the final stop in a G7 tour designed to craft an agenda for the next G7 meeting in May, which will be hosted by Japan. Taking place in the prime minister's home district of Hiroshima, the G7 will not only continue to align their cooperation with Ukraine but will also address the rising nuclear risk posed by threats to use these weapons of mass destruction from Russian President Vladimir Putin.

Kishida visited France, Italy, and the UK before heading to Canada and then to the United States. All along the way, the situation in Ukraine was a focal point of discussion as the Japanese prime minister began to build his agenda for the upcoming G7 Summit. But Japan's own desire for deeper security cooperation with the NATO allies was also evident. In Italy, Kishida and Prime Minister Giorgia Meloni announced their new

strategic partnership. Already, Italy joined the Global Combat Air Programme (GCAP) alongside UK and Japanese defense manufacturers to build a new next-generation fighter. In France, President Emanuel Macron committed to further security cooperation with Japan in the Indo-Pacific, especially on missile and nuclear proliferation by North Korea, as well as on the global economic difficulties created by the Russian invasion. In the UK, Kishida signed a Reciprocal Access Agreement to allow the Japanese and UK forces to exercise and train on each other's soil. Before heading to Washington, Kishida's final stop was in Ottawa to meet with Prime Minister Justin Trudeau. On the agenda there was not only the Ukraine situation but also the Indo-Pacific, following Canada's announcement of its own new Indo-Pacific strategy.

Arriving in Washington, DC, Kishida had much to discuss with Biden. Biden praised Kishida's watershed defense reforms but also spent their time together discussing how best the United States and Japan could continue their diplomatic efforts to counter Russian aggression and the world's growing concern about Chinese ambitions. At a range of meetings earlier in the week, including a 2+2 meeting on Jan. 11, a meeting at NASA between Foreign Minister Hayashi and Secretary of State Blinken to highlight a new era of space cooperation, and a meeting at the Pentagon between Defense Minister Hamada Yasukazu and Secretary of State Austin, the US and Japan rolled out a broad range of new initiatives designed to accentuate the capabilities that will be brought to bear for the alliance during this era of intense strategic alignment.



Figure 3 US President Joe Biden and Japanese Prime Minister Kishida Fumio at the White House on January 13, 2023. Photo: T.J. Kirkpatrick/Pool via Reuters

Conclusion

Diplomacy will continue to be front and center for the United States and Japan in 2023. Kishida will host the G7 Summit in Hiroshima in May and will highlight Japan's continuing commitment to reducing the risk of nuclear weapons. Russia's war in Ukraine shows few signs of ending. Another North Korean nuclear test is expected. This year, Japan joins the UN Security Council for a two-year assignment as a nonpermanent member. Expect nuclear risk to also be high on the Japanese government's agenda during this era of Security Council strain.

In the Indo-Pacific, 2023 should be a good year for the US-Japan-South Korea trilateral as diplomacy has yielded cautious optimism that the governments in Japan and South Korea continue to work through difficult bilateral issues. Prime Minister Kishida has stated his hope to invite President Yoon Suk Yeol to join the G7 nations in May. The Quad will continue to develop its agenda for Indo-Pacific cooperation and Australia is due to host the next leaders' summit in mid-2023. Finally, later in the year, the United States will host the APEC meeting in San Francisco and provide opportunity for enhanced economic cooperation.

Politics at home will continue to draw the focus of both Kishida and Biden. In Japan, local elections in April are expected to be difficult for both the LDP and Komeito, and there is much chatter in Tokyo around what this might mean for the prime minister's future. The government's finances and especially concern over how to manage its debt has created tensions within the LDP as well as debate more broadly over how to pay for the Kishida Cabinet's new priorities on defense and family support subsidies. A new Bank of Japan governor will be appointed in 2023 as Kuroda Haruhiko steps down.

In the United States, a fractured Republican party has taken control over the House. The difficulties within the party, demonstrated by the inability for days to unify around a new speaker, suggest a tumultuous time ahead for Congress. And already, who might run for the 2024 presidential election invites considerable speculation.

CHRONOLOGY OF US-JAPAN RELATIONS

SEPTEMBER — DECEMBER 2022

- Sept. 5-6, 2022: Director General of the Foreign Policy Bureau Keiichi Ichikawa, Assistant Secretary of State for South and Central Asian Affairs Donald Lu, and Deputy Assistant Secretary of State for East Asian and Pacific Affairs Camille Dawson attend Quad Consultations in Delhi, India.
- **Sept. 6, 2022:** Minister for Foreign Affairs Hayashi <u>speaks</u> by telephone with Secretary of Commerce Gina Raimondo.
- **Sept. 8, 2022:** LDP Secretary General Toshimitsu Motegi <u>announces</u> that about half of LDP members have ties to the Unification Church.
- **Sept. 8-9, 2022:** US Trade Representative Katherine Tai, Secretary of Commerce Raimondo, METI Minister Yasutoshi Nishimura, and State Minister for Foreign Affairs Kenji Yamada <u>attend</u> the Indo-Pacific Economic Framework for Prosperity (IPEF) Ministerial in Los Angeles.
- **Sept. 21, 2022:** President Biden <u>meets</u> Prime Minister Kishida on the sidelines of the UN General Assembly Meeting in New York.
- **Sept. 21, 2022:** Prime Minister Kishida <u>attends</u> High-Level Meeting of the Friends of the Comprehensive Nuclear-Test-Ban Treaty on sidelines of the UN General Assembly (UNGA).
- **Sept. 21, 2022:** Prime Minister Kishida <u>meets</u> with Bill Gates, co-chair of the Bill & Melinda Gates Foundation, on the sidelines of the UN General Assembly Meeting in New York.
- **Sept. 22, 2022:** Secretary of State Blinken, Minister for Foreign Affairs Hayashi, and South Korean Minister of Foreign Affairs Park Jin <u>meet</u> on the sidelines of the UNGA.
- **Sept. 22, 2022:** Prime Minister Kishida <u>visits</u> New York Stock Exchange to deliver remarks and ring the closing bell.
- **Sept. 23, 2022:** Secretary of State Blinken, Minister for Foreign Affairs Hayashi, Australian Foreign Minister Penny Wong, and Indian External Affairs Minister Subrahmanyam

- Jaishankar <u>attend</u> the Quad Foreign Ministers' Meeting on the sidelines of the UNGA.
- **Sept. 23, 2022:** Secretary of State Blinken and Minister for Foreign Affairs Hayashi <u>attend</u> the COVID-19 Global Action Plan Foreign Ministerial Meeting on the sidelines of the UNGA.
- **Sept. 23, 2022:** President Biden <u>announces</u> a presidential delegation to Japan to attend the State Funeral of former Prime Minister Shinzo Abe.
- **Sept. 26, 2022:** Vice President Harris <u>meets</u> Prime Minister Kishida during her trip to Tokyo to attend the State Funeral of former Prime Minister Abe.
- **Sept. 27, 2022:** State funeral for former Prime Minister Abe is <u>held</u> in Tokyo.
- Sept. 27, 2022: US Special Representative for the DPRK Sung Kim, Director General for Asian and Oceanian Affairs Bureau Takehiro Funakoshi, and South Korean Special Representative for Korean Peninsula Peace and Security Affairs Kim Gunn speak by telephone
- **Oct. 4, 2022:** North Korea <u>launches</u> an intermediate-range ballistic missile that flies over Japan.
- **Oct. 4, 2022:** Secretary of State Blinken, Minister for Foreign Affairs Hayashi, and South Korean Foreign Minister Park Jin speak by telephone.
- **Oct. 4, 2022:** Prime Minister Kishida <u>speaks</u> by telephone with President Biden.
- **Oct. 4, 2022:** Foreign Minister Hayashi <u>speaks</u> by telephone with Secretary of State Blinken.
- **Oct. 4, 2022:** Deputy Secretary of State Wendy Sherman, Vice Minister for Foreign Affairs Takeo Mori, and South Korean First Vice Foreign Minister Cho Hyun-dong <u>speak</u> by telephone.
- Oct. 7, 2022: US Special Representative for the DPRK Sung Kim, Director General for Asian and Oceanian Affairs Bureau Takehiro Funakoshi, and South Korean Special Representative for

Korean Peninsula Peace and Security Affairs Kim Gunn speak by telephone.

Oct. 11, 2022: Japan <u>reopens</u> to foreign tourists without visas.

Oct. 17, 2022: Prime Minister Kishida <u>announces</u> formal investigation of the Unification Church.

Oct. 20, 2022: Former Secretary of State Hillary Clinton and UN Under-Secretary General Izumi Nakamitsu <u>discuss</u> gender equality at an event in Tokyo.

Oct. 24, 2022: Economic Revitalization Minister Daishiro Yamagiwa <u>resigns</u> from Kishida's Cabinet.

Oct. 25, 2022: Deputy Secretary of State Sherman meets with Vice Minister for Foreign Affairs Mori Takeo in Tokyo.

Oct. 25, 2022: Deputy Secretary of State Sherman, Vice Minister for Foreign Affairs Mori, and South Korean First Vice Foreign Minister Chohold a trilateral meeting.

Oct. 26, 2022: Under Secretary of State for Arms Control and International Security Bonnie Jenkins, State Minister of Economy, Trade, and Industry Ota Fusae, Assistant Secretary for Nuclear Energy Kathryn Huff, and Ghana's Deputy Minister of Energy William Owuraku Aidoo announce a collaboration to support deploying small modular reactor technology in Ghana.

Oct. 27, 2022: Department of Defense <u>releases</u> its Nuclear Posture Review.

Oct. 27, 2022: Under Secretary of State for Arms Control and International Security Jenkins and State Minister of Economy, Trade, and Industry Ota announce the Winning an Edge Through Cooperation in Advanced Nuclear (WECAN) Partnership.

Nov. 4, 2022: Secretary of State Blinken and Minister for Foreign Affairs Hayashi <u>meet</u> on the sidelines of the G7 Foreign Ministers' Meeting in Munster Germany.

Nov. 8, 2022: US <u>holds</u> midterm elections for the Congress and many local offices.

Nov. 11, 2022: Justice Minister Yasuhiro Hanashi resigns from Kishida's Cabinet.

Nov. 13, 2022: President Biden and Prime Minister Kishida <u>meet</u> on the sidelines of the ASEAN-related Summit Meetings in Phnom Penh, Cambodia.

Nov. 13, 2022: Prime Minister Kishida, President Biden, and South Korean President Yoon Suk Yeol meet on the sidelines of the ASEAN-related Summit Meetings in Phnom Penh, Cambodia.

Nov. 15, 2022: President Biden, Prime Minister Kishida, and Indonesian President Widodo <u>announce</u> the launch of the Just Energy Transition Partnership (JETP) in Indonesia.

Nov. 15–16, 2022: Japan–US Extended Deterrence Dialogue is <u>held</u> at the Ministry of Foreign Affairs in Tokyo.

Nov. 18, 2022: North Korea <u>launches</u> an intercontinental ballistic missile.

Nov. 20, 2022: G7 Foreign Ministers <u>release</u> a joint statement condemning North Korea's launch of an intercontinental ballistic missile.

Nov. 20, 2022: Minister for Internal Affairs and Communications Terada Minoru <u>resigns</u> from Kishida's Cabinet.

Nov. 21, 2022: Deputy Secretary of State Sherman, Vice Foreign Minister Mori, and Korean First Vice Foreign Minister Cho <u>speak</u> by telephone about North Korea's missile launch.

Dec. 1, 2022: Assistant Secretary of State for Energy Resources Geoffrey Pyatt and METI Director General Ryo Minami <u>hold</u> the inaugural US-Japan Energy Security Dialogue in Tokyo.

Dec. 10, 2022: Japan's Diet <u>enacts</u> law to ban organizations from maliciously soliciting donations.

Dec. 13, 2022: US Special Representative for the DPRK Sung Kim, Director General for Asian and Oceanian Affairs Takehiro Funakoshi, and South Korean Special Representative for Korean Peninsula Peace and Security Affairs Kim Gunn meet in Jakarta.

Dec. 13, 2022: Governor of Maryland Lawrence Hogan, Jr. and Ambassador of Japan to the US Tomita Koji <u>sign and renew</u> the Memorandum of Cooperation on Economic and Trade Relations between Japan and Maryland.

Dec. 15, 2022: Director-General of the North American Affairs Bureau Kobe Yasuhiro <u>meets</u> with Assistant Secretary of State for East Asian and Pacific Affairs Daniel Kritenbrink in Tokyo.

Dec. 16, 2022: Japan <u>releases</u> new National Security Strategy, National Defense Strategy, and Defense Buildup Program.

Dec. 16, 2022: Japan's Cabinet <u>approves</u> plan to double the amount earmarked for Japan's defense.

Dec. 20, 2022: Minister for Foreign Affairs Hayashi, METI Minister Nishimura, and Secretary of Commerce Raimondo <u>attend</u> the online IPEF Ministerial.

Dec. 27, 2022: Reconstruction Minister Akiba Kenya <u>resigns</u> from Kishida's Cabinet.



COMPARATIVE

CONNECTIONS

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

US-CHINA RELATIONS

THE BALI SUMMIT: US AND PRC LEADERS ATTEMPT TO ARREST THE SLIDE

BONNIE S. GLASER, GERMAN MARSHALL FUND OF THE US

Joe Biden and Xi Jinping met in person for the first time as national leaders at the G20 summit in Bali and agreed to manage competition in their relationship responsibly and restore regular dialogue between senior officials and cooperation between their countries. Bilateral meetings between senior officials in charge of climate, finance, trade, and defense followed. After the US announced another weapons sale to Taiwan, however, Beijing halted the resumption of military-to-military exchanges again. The US issued new export controls aimed at freezing China's advanced chip production and supercomputing capabilities. President Biden maintained that he would send US forces to defend Taiwan if attacked and repeated that whether the island is independent is up to Taiwan to decide. The Biden administration issued its *National Security Strategy*, *National Defense Strategy*, *Nuclear Posture Review*, and *Missile Defense Review*. The US imposed sanctions on Chinese officials for serious human rights abuses in Tibet and arbitrary detention of Falun Gong practitioners. China retaliated by sanctioning two former Trump administration officials.

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Biden and Xi Seek to Stabilize Relations

An already acrimonious relationship between China and the United States deteriorated further after Speaker of the House Nancy Pelosi's August visit to Taiwan. Virtually all bilateral communication channels were frozen by Beijing. According to one source, PRC officials refused to speak to their counterparts for almost two weeks. The stalemate began to thaw in the third week of September when US Secretary of State Antony Blinken met China's foreign minister on the sidelines of the United Nations General Assembly in New York. At the same time, Laura Rosenberger, a special assistant to President Biden and senior director for China at the National Security Council, and Assistant Secretary of State for East Asia Daniel Kritenbrink, met Chinese Vice Foreign Minister Xie Feng. Among the topics discussed was a possible in-person meeting between the two countries' leaders at the November G20 summit in Bali, Indonesia.

A month later, a sign of possible progress came in Xi Jinping's congratulatory message to the annual gala dinner of the National Committee on US-China Relations. "China stands ready to work with the United States to find the right way to get along with each other in the new era on the basis of mutual respect, peaceful coexistence and winwin cooperation," he told the dinner attendees. The same day, President Biden told US Department of Defense leaders that there doesn't need to be conflict between the US and China.

In the final days of October, US Ambassador to China Nicholas Burns, who had been shunned by Chinese officials since Pelosi's Taiwan trip, met with Wang Yi, and another phone call took place between Blinken and Wang Yi.

As the G20 summit approached, US officials privately expressed cautious optimism that the US and China could begin a process of stabilizing the bilateral relationship. Chinese officials conveyed their desire to prevent further deterioration of ties, and US officials expressed their hopes of putting a floor under the relationship. Before departing for Asia, President Biden said that the purpose of the meeting was to discuss "what each of our red lines are" and determine whether the two countries' vital interests "conflict with one another," and where they do, "how to work it out."

Xi met Biden in Bali with a wide grin and a warm handshake on Nov. 14. It was their first in-person meeting as national leaders. During their three-hour exchange, both pledged to repair the bilateral relationship. In his opening remarks, Xi said, "As the leaders of these two great powers, China and the United States, we must play the role setting the direction of the rudder, and we should find the correct approach for developing bilateral relations." Biden reiterated that US-China competition should not veer into conflict and emphasized that both countries must manage the competition responsibly and maintain open lines of communication.



Figure 1 President Biden and President Xi shake hands as they begin talks in Bali. Photo: Saul Loeb/AFP via Getty Images

Readouts of the meeting suggested that progress was made toward putting the relationship on an even keel and resuming dialogue and cooperation that had been suspended after Pelosi's Taiwan trip. The leaders agreed to instruct senior officials in charge of diplomacy to conduct regular consultations and their finance teams to coordinate on macroeconomic policies, economic ties, and trade. They also agreed to reopen talks on climate change, public health, agriculture, and food security, and to expand people-to-people exchanges. Xi proposed that the US and China agree on principles that would guide the bilateral relationship and the Chinese readout of the meeting maintained that the US shared the view that working out such principles was necessary.

Biden and Xi did not shy away from discussing differences. Biden told the press after the meeting, "We were very blunt with one another about places where we disagreed or where we were uncertain of each other's position." The two leaders discussed the Ukraine war and the

DPRK's provocations. Biden raised concerns about PRC human rights practices in Xinjiang, Tibet, and Hong Kong. As has become the pattern in all their encounters, about half the meeting was spent discussing Taiwan, with Xi providing "a full account of the origin of the Taiwan question and China's principled position." Biden reaffirmed several elements of the US "one China" policy, including that the US does not pursue a "two Chinas" or "one China, one Taiwan" policy and does not have the intention to use Taiwan as a tool to contain China. Biden raised concerns about the PRC's increasingly aggressive actions toward Taiwan. Xi asserted that Taiwan "is at the very core of China' core interests" and is "the first red line that must not be crossed in China-US relations."

As a next step to enhance bilateral relations, Biden and Xi agreed that Secretary of State Blinken would visit China early in 2023. Preparation for that meeting began in mid-December with the NSC's Rosenberger and State Department's Kritenbrink traveling to Langfang, China to meet Vice Foreign Minister Xie Feng.

In the days following the leaders' summit, three high-level meetings took place between US and Chinese officials. US Special Presidential Envoy for Climate John Kerry and Chinese Special Envoy for Climate Change Xie Zhenghua met on the sidelines of COP 27 in Sharm El-Sheikh, Egypt. Treasury Secretary Janet Yellen met her counterpart, People's Bank of China Gov. Yi Gang, in Nusa Dua, Indonesia. US Trade Representative Katherine Tai held talks with her counterpart Minister of Commerce Wang Wentao on the margins of the ASEAN Ministerial Meeting in Bangkok, Thailand.

Resumption of Military Ties Falters

Among the actions that Beijing took after House Speaker Nancy Pelosi visited Taiwan in early August was the cancelation of three planned meetings between the US and Chinese militaries. Contacts between the two militaries in September and October were essentially frozen, except for occasional visits by representatives of the US and PRC defense attaché offices to the other country's defense establishment. After Biden and Xi met in Bali, the stage was set for a resumption of military exchanges.

The restoration of military-to-military dialogue appeared to be on track when US Defense

Secretary Lloyd Austin met Chinese Minister of National Defense Wei Fenghe on the sidelines of the 9th ASEAN Defense Ministers Meeting-Plus (ADMM-Plus) in Cambodia on Nov. 22. According to the Chinese <u>readout</u> of the talks, the defense leaders agreed to implement the "important consensus" reached by their heads of state to "maintain communication and contact, strengthen crisis management and control, and strive to maintain regional security and stability. Wei pinned blame on the United States for the "current situation in China-US relations" and demanded that the US respect China's core interests. While China's account of the meeting focused primarily on Taiwan, the US account revealed that the meeting also addressed the Ukraine war, North Korea's provocations, and US-PRC defense relations.

Although there was no public announcement, the two militaries apparently agreed to reschedule some of the meetings that had been canceled after Pelosi's visit to Taiwan. Those plans were halted by the PRC, however, when the US announced several arms sales to Taiwan in early December. An article in Global Times hinted at the decision, quoting experts from Chinese universities who predicted that the US decision to sell more weapons to Taiwan would hinder the resumption of military exchanges.

In December, hope for a gradual improvement in bilateral military ties were rekindled when US and Chinese defense officials met to discuss the Department of Defense annual report on "Military and Security Developments Involving the People's Republic of China." The US readout noted that the discussion took place under the 2014 Memorandum of Understanding on Notification of Major Military Activities Confidence Building Measure Mechanism and was held as a hybrid in-person and virtual discussion with a representative from the Central Military Commission's Office for International Military Cooperation participating virtually and representatives of the PRC Defense Attaché's Office joining in person.

The need for more effective rules of road to reduce the risk of accidents between the US and Chinese militaries was evident when a PLA Navy J-11 fighter pilot performed an unsafe maneuver during an intercept of a US Air Force RC-135 aircraft, which was lawfully conducting routine operations over the South China Sea in international airspace on Dec. 21. According to the US Indo-Pacific Command, which released a

<u>video</u> of the incident just over a week after it took place, the PLAN pilot flew an unsafe maneuver by flying in front of and within 20 feet of the nose of the RC-135, forcing the RC-135 to take evasive maneuvers to avoid a collision.



Figure 2 A close air encounter between a Chinese Navy J-11 fighter jet and a U.S. Air Force RC-135 aircraft over the South China Sea. Photo: U.S. Indo-Pacific Command/Handout via Reuters

US Imposes New Export Controls and Other Measures

The fall of 2023 will be remembered as a crucial moment in US policy on the transfer of high technology to China. In a speech delivered at the Special Competitive Studies Project Global Emerging Technologies Summit, National Security Adviser Jake Sullivan announced a shift in the Biden administration's approach. In the past, Sullivan said, export controls were formulated with the goal of maintaining "relative" advantages over competitors in certain key technologies, defined as staying "only a couple of generations ahead." Due to changes in the strategic environment, the US now must "maintain as large of a lead as possible," he stated. Tarun Chhabra, who runs technology policy under Sullivan at the NSC, later stressed that the US goal is to "extend absolute advantage."

The new policy, which is being rolled out in a series of new federal rules, executive orders, and legislation, was on display in early October when the US announced revised rules aimed at denying PRC firms the ability to develop an industry of producing advanced computer chips. The restrictions were laid out in a 139-page document issued by the Bureau of Industry and Security, which oversees export controls for the Commerce Department. The rules cover the exports of chips, chip-making equipment, and talent.

The next step is likely to be an executive order targeting US investment in China, though it is still unclear whether a new mechanism will be intended to monitor or restrict investment, which sectors will be covered, and whether new regulations will apply only to foreign direct investment and joint ventures with Chinese firms or also include broader capital flows into China. In addition, legislation regulating outbound investment—the National Critical Capabilities Defense Act—is being considered in Congress.

Although some observers anticipated PRC retaliation, Beijing opted to eschew tit-for-tat reprisals against US companies, likely because it hopes to encourage US firms to invest more in China. Instead, China filed a complaint with the World Trade Organization in mid-December, claiming that the US chip export controls threaten global supply chains.



Figure 3 Semiconductor. Photo: iStock by Getty Images

More Muddled US Statements About Taiwan

For the fourth time in his presidency, President Biden asserted that he would come to Taiwan's defense if China were to attack Taiwan. In an interview with the CBS show 60 Minutes on Sept. 18, he stated that US forces would defend the island "if in fact there was an unprecedented attack." As in the past, he insisted that the US long ago committed to defend Taiwan, even though the 1979 Taiwan Relations Act does not contain such a commitment. Biden also reiterated a statement that he made in November 2021 that "Taiwan makes their own judgments about their independence." The US is not encouraging Taiwan to become independent, he added, stating "that's their decision." This implies that Taiwan declaring independence would not align with the US position that sovereignty over Taiwan remains unsettled. Beijing likely views the possibility that the US would allow Taiwan to declare independence as more provocative and dangerous than Biden's statements that the US would defend Taiwan.

One month later, Secretary of State Blinken maintained in a public event with Condoleezza Rice that China is seeking reunification with Taiwan on a much faster timeline than in the past. The following day, Blinken reiterated his assessment in an interview with George Stephanopoulos. He argued that China had previously accepted the status quo in the Taiwan Strait, but changed its stance and decided to speed up reunification, and do it potentially by any means, including use of force. China watchers were baffled by his statements since the PRC has never accepted the status quo in the Taiwan Strait and although the PLA has been instructed to acquire the capability to seize and control Taiwan, there is no known evidence that Beijing has determined that it must achieve reunification by a specific date. The Department of Defense annual report on "Military and Security Developments Involving the People's Republic of China in 2021," released on Nov. 29, explained that 2027, 2035, and 2049 are capabilities development milestones for the PLA.

Addressing questions at a press <u>briefing</u> on Nov. 15, Chairman of the Joint Chiefs of Staff Gen. Milley maintained that Xi Jinping is a rational actor who "evaluates things on cost, benefit and risk." Xi would likely conclude that an attack on Taiwan in the near future would be extremely costly, Milley argued, and would set back his goal of attaining the China dream of becoming the leading economic and military power. He described the military operation of attacking and seizing the island of Taiwan as "very difficult" adding that "it'll be some time before the Chinese have the military capability and they're ready to do it."

In the last four months of 2022, the Biden administration approved several arms sales to Taiwan totaling almost \$2.6 billion. After the approval of a \$1.1 billion package on Sept. 2 that included Sidewinder Missiles and Harpoon Missiles, China announced that it was imposing sanctions on the CEOs of Raytheon Technologies Corporation and Boeing Defense, Space and Security, due to their roles in the sales. The US Navy conducted two Taiwan Strait transits in this period, on Sept. 20 and Nov. 5.



Figure 4 A US M136 Volcano ground vehicle mine dispensing system, the purchase of which was approved by the Taiwanese government. Photo: Wikimedia

Biden Administration Releases Four Key Documents

In mid-October, President Biden issued his National Security Strategy (NSS). It was followed by release of the National Defense Strategy, the Nuclear Posture Review, and the Missile Defense Review. All four documents contain important statements about how the Biden administration views China and its policies toward China.

Echoing the China Strategy speech delivered by Tony Blinken last May, the NSS described China as "the only competitor with both the intent to international reshape the order increasingly, the economic, diplomatic, military, and technological power to advance that objective." It asserted that Beijing seeks "to create an enhanced sphere of influence in the Indo-Pacific and to become the world's leading power." The NSS reaffirmed US strategy toward the PRC as aimed at investing in America, aligning with US allies and partners, and relying on these two efforts to out-compete the PRC in technological, economic, political, the intelligence, and global governance domains. At the same time, the document stated that "it is possible for the United States and the PRC to coexist peacefully, and share in and contribute to human progress together."

The National Defense Strategy (NDS) defined the PRC as the US' "most consequential competitor for the coming decades" and the pacing challenge for the Department of Defense. Working in collaboration with allies and partners, US strategy aims to "prevent the PRC's dominance of key regions while protecting the US homeland and reinforcing a table and open

international system." The NDS set out the objective of dissuading the PRC from considering aggression as a viable means of advancing goals that threaten vital US national interests. It promised to bolster deterrence by various means, including by developing new operational concepts and enhanced future warfighting capabilities against potential PRC aggression.

The Nuclear Posture Review described the PRC as "a growing factor in evaluating" the US nuclear deterrent given the "ambitious expansion, modernization, and diversification" of its nuclear forces and nascent nuclear triad. Those developments, the NPR noted, could provide the PRC with "new options before and during a crisis or conflict to leverage nuclear weapons for coercive purposes." The report asserted that the PRC's nuclear expansion, lack of transparency, and growing military assertiveness "raise questions regarding its intentions, nuclear strategy and doctrine, and perceptions of strategic stability." It stressed the need for bilateral discussions on practical steps to reduce strategic risks. The NDS also stated that the US would need to account for the PRC's nuclear expansion in future US-Russia arms control discussions.

The Missile Defense Review maintained that the US would continue to rely on strategic deterrence, which includes its nuclear arsenal and a resilient sensor and Nuclear Command, Control, and Communications (NC3) architecture, to deter intercontinental-range nuclear missile threats to the homeland from the PRC. Ensuring the continued credibility of the US deterrent "will require investments in missile warning, missile tracking, and resilient NC3" to keep pace with evolving threats from the PRC and Russia. A range of activities comprise the US approach to counter and defeat an adversary's offensive missiles. One part of that approach is the Ground-based Midcourse Defense (GMD) system, which supports the homeland missile defense mission. However, the GMD "is neither intended for, nor capable of, defeating the large and sophisticated ICBM, air-, or sea-launched ballistic missile threats from Russia and the PRC." The United States relies on strategic deterrence to address those threats.

Human Rights and Tit for Tat Sanctions

The second paragraph of Biden's *National Security Strategy* maintained "the post-Cold War era is definitively over and a competition is

underway between the major powers to shape what comes next." The US vision of the international order in the new era, the NSS stated, includes upholding universal human rights. Consistent with this vision, the Biden administration made notable statements and undertook several actions in the last four months of 2022 to advance its human rights agenda with China.

In a <u>statement</u> issued on Sept. 1, one day after the UN Office of the High Commissioner for Human Rights released a report stating that "serious human rights violations have been committed" in Xinjiang, including possible "crimes against humanity," Secretary of State Blinken welcomed the report. He reiterated US "grave concern regarding the ongoing genocide and crimes against humanity that PRC government authorities are perpetrating against Uyghurs...and members of other ethnic and religious minority groups in Xinjiang."

On Dec. 10, marking International Human Rights Day, US Ambassador to China Nicholas Burns issued a <u>statement</u> expressing US concern about the PRC's failure to live up to its international commitments to protect human rights and fundamental freedoms guaranteed by the Universal Declaration of Human Rights. He highlighted PRC human rights violations in Xinjiang, Tibet, and Hong Kong. The previous day, the US imposed sanctions on former Party Secretary of the Tibetan Autonomous Region Wu Yingjie and director of the Tibetan Public Security Bureau Zhang Hongbo for carrying out "serious human rights abuses" in Tibet and former deputy director of the Chongging Area Prisons Tang Yong for arbitrary detention of Falun Gong practitioners. In addition, the US imposed sanctions on two large Chinese fishing fleet companies for alleged human rights abuses and illegal fishing practices.

Two weeks later, China retaliated against the sanctions imposed on PRC officials by sanctioning two members of the Trump administration, Miles Yu and Todd Stein. According to the Chinese foreign ministry, the two men and their family members would henceforth be banned from entering China, their assets in China would be frozen, and PRC organizations and individuals would be barred from engaging with them.

China's COVID-19 U-Turn

After fighting to prevent the spread of COVID-19 within China for nearly three years, the Chinese government made an abrupt about-face in December, ending lockdowns, quarantines, and testing. A massive outbreak of the virus followed, though it was impossible to know the scale of infections since the government stopped publishing daily COVID-19 data as of Dec. 25. Since China's National Health Commission narrowly defined deaths due to COVID as those caused by pneumonia and respiratory failure after contracting the virus, it was impossible to know how many people succumbed to the disease. Videos posted on social media of overcrowded ICUs in Chinese hospitals and long lines of hearses outside crematoriums suggested that the situation was serious, and many experts predicted that another wave of infections would follow during the Lunar New Year as millions of urban dwellers returned home to visit their families.



Figure 5 Pandemic prevention workers in protective suits prepare to enter an apartment compound in Beijing that was placed under lockdown as outbreaks of COVID-19 continue. Photo: Thomas Peter/Reuters

At a press conference on Dec. 22, Secretary Blinken said that Washington was ready to help all countries facing major challenges from COVID-19, but that China had not requested assistance from the United States. He encouraged all countries, including China, to get people vaccinated and to share information with the world. China's lack of transparency about its experience with COVID sparked fears that the surge in infections could spawn new and more dangerous variants. As a precautionary measure, the US Centers for Disease Control and Prevention announced that beginning Jan. 5, the US would require all travelers from China, including Hong Kong and Macau, to present negative COVID-19 tests before boarding flights headed for the United States.

US-China Relations Face a Rocky Future

The US-China relationship was on a downward trajectory throughout 2022. The Bali summit produced a partial thaw and provided the opportunity for both countries to stabilize their relations, but a sustained détente is unlikely anytime soon. The causes of tensions and mutual distrust will persist, perhaps for decades. China will continue to seek to be the dominant regional power and revise the international order in ways that are damaging to the interests of the United States and its allies. The US will intensify efforts to curb China's development of advanced technology. Taiwan will remain a dangerous flashpoint. Trade between the two countries will continue, but both will continue to reduce dependency on the other. Although a military conflict between the US in China is not inevitable, it seems that a new Cold War is increasingly likely.

CHRONOLOGY OF US-CHINA RELATIONS

SEPTEMBER — DECEMBER 2022

- **Aug. 31, 2022:** The US <u>restricts</u> sales of graphic processing units to China and Russia by requiring companies to seek export licenses.
- **Sept. 1, 2022:** Secretary of State Antony Blinken says that the Aug. 31 report by the UN Office of the High Commissioner for Human Rights on Xinjiang "deepens and reaffirms our grave concern regarding the ongoing genocide and crimes against humanity that PRC government authorities are perpetrating against Uyghurs."
- **Sept. 2, 2022:** State Department <u>approves</u> a possible Foreign Military Sale to Taiwan of AIM-9X Block II Sidewinder Missiles, AGM-84L-1 Harpoon Block II Missiles, Surveillance Radar Program, and related equipment, collectively worth approximately \$1.1 billion.
- **Sept. 2, 2022:** Office of the US Trade Representative <u>confirms</u> that domestic industry representatives requested continuation of Section 301 tariffs on China and the tariffs accordingly did not expire on their four-year anniversary.
- **Sept. 8, 2022:** Rep. Stephanie Murphy (FL-07) <u>leads</u> a congressional delegation of eight Congressional representatives to Taiwan, meets with President Tsai Ing-wen.
- **Sept. 13, 2022:** Congressional-Executive Commission on China holds a hearing titled "Control of Religion in China through Digital Authoritarianism."
- **Sept. 15, 2022:** President Biden signs <u>executive</u> <u>order</u> directing the Committee on Foreign Investments in the United States (CIFUS) to concentrate on specific types of transactions that would give a foreign power access to key technologies that are critical to US economic growth.
- **Sept. 16, 2022:** China's Ministry of Foreign Affairs <u>announces</u> that the Chinese government has sanctioned Gregory J. Hayes, chairman and chief executive officer of Raytheon Technologies Corp., and Theodore Colbert III, president and chief executive officer of Boeing Defense, Space

- & Security, due to their involvement in the latest arms sales to Taiwan.
- **Sept. 18, 2022:** President Biden gives <u>interview</u> to CBS' *60 Minutes* in which he answers questions about what the US would do if China invades Taiwan.
- **Sept. 18, 2022:** Arleigh Burke-class guided-missile destroyer USS Higgins (DDG 76), in cooperation with Royal Canadian Navy Halifax-class frigate HMCS Vancouver (FFH 331), conducts exercises in the South China Sea.
- **Sept. 19, 2022:** State Councilor and Foreign Minister Wang Yi holds <u>talks</u> with representative members of the National Committee on US-China Relations, the US-China Business Council and the US Chamber of Commerce in New York and meets Henry Kissinger.
- **Sept. 20, 2022:** Arleigh Burke-class guided-missile destroyer USS Higgins (DDG 76), in cooperation with Royal Canadian Navy Halifax-class frigate HMCS Vancouver (FFH 331), conducts a routine Taiwan Strait transit.
- **Sept. 21, 2022:** The House Foreign Affairs Committee, Subcommittee on Asia, the Pacific, Central Asia, and Nonproliferation, <u>holds</u> a closed members briefing on China.
- **Sept. 21, 2022:** Leaders of JPMorgan Chase, Bank of America, and Citigroup commit to complying with a potential US demand to pull out of China if Beijing were to attack to Taiwan during a hearing of the House Committee on Financial Services.
- **Sept. 22, 2022:** Chinese FM Wang Yi <u>addresses</u> the Asia Society in New York with a speech titled "The Right Way for China and the United States to Get Along in the New Era."
- Sept. 23, 2022: State Councilor and FM Wang Yimeets Secretary Blinken on the sidelines of the UN General Assembly. Laura Rosenberger, special assistant to the president and senior director for China at the National Security Council, and Assistant Secretary of State for East Asia Daniel Kritenbrink also meet with Chinese Vice Foreign Minister Xie Feng.

- **Sept. 28, 2022:** Vice President Kamala Harris <u>criticizes</u> China's actions in the Indo-Pacific during her second trip to Asia, accusing Beijing of "undermining key elements of the international rules-based order."
- **Sept. 29, 2022:** State Department <u>imposes</u> sanctions on two entities based in China, Zhonggu Storage and Transportation Co. Ltd. and WS Shipping Co. Ltd., for involvement in Iran's petrochemical trade.
- Oct. 1, 2022: Arleigh Burke-class guided-missile destroyer USS Higgins (DDG 76) and fleet replenishment-oiler USNS Rappahannock (T-AO 204), in cooperation with the Royal Canadian Navy and Japan Maritime Self-Defense Forces, conducts exercises in the South China Sea.
- **Oct. 5, 2022:** Department of Defense <u>releases</u> list of 13 new Chinese military companies operating directly or indirectly in the US in accordance with Section 1260H of the National Defense Authorization Act.
- **Oct.7, 2022:** Commerce Department <u>announces</u> new limits restricting the sale of advanced computing chips, chip-making equipment, and other technology to China.
- **Oct. 8, 2022:** Department of Defense <u>signs</u> a waiver allowing non-compliant specialty metals from China to be used in F-35 development through October 2023, says is needed for national security interests.
- **Oct. 12, 2022:** President Biden <u>releases</u> National Security Strategy, which refers to China as a strategic competitor and says the next 10 years will be a decisive decade for the relationship.
- Oct. 12, 2022: Rep. Eddie Bernice Johnson (TX-30) <u>leads</u> congressional delegation of five Representatives to Taiwan, meets President Tsai and participates in National Day celebrations.
- **Oct. 12, 2022:** The Office of the US Trade Representative <u>announces</u> a request for public comment on Section 301 tariffs against China as part of the statutory four-year review process.
- **Oct. 16, 2022:** Xi Jinping delivers political <u>report</u> to the 20th National Congress of the Communist Party of China.

- **Oct. 17, 2022:** Secretary Blinken joins <u>event</u> with Condoleezza Rice in which he states that Beijing decided that the cross-Strait status quo is unacceptable and would pursue reunification on a much faster timeline.
- **Oct. 17, 2022:** Maritime forces from the US, Canada, and Japan <u>conduct</u> exercises in the South China Sea in support of Royal Australian Navy forces
- Oct. 19, 2022: Secretary Blinken in an interview with George Stephanopoulos <u>says</u> regarding Taiwan that "a decision that was made in Beijing some years ago that that was no longer acceptable and that the government wanted to speed up the reunification, and to do it... potentially by any means, through coercion and pressure and potentially, if necessary, by force."
- **Oct. 24, 2022:** Department of Justice <u>charges</u> individuals for alleged participation on malign schemes in the US on behalf of the Chinese government, including conspiracy to forcibly repatriate Chinese nationals, obstruction of judge, and acting as illegal agents of a foreign country.
- Oct. 26, 2022: President Xi <u>says</u> that "China stands ready to work with the United States to find the right way to get along with each other in the new era on the basis of mutual respect, peaceful coexistence and win-win cooperation," in a congratulatory message to the annual Gala Dinner of the National Committee on US-China Relations.
- Oct. 26, 2022: President Biden <u>addresses</u> a meeting of Department of Defense leaders that "there doesn't need to be conflict" between the US and China and emphasizes the need to responsibly manage the competition between the two countries.
- Oct. 27, 2022: Secretary of Defense Austin releases 2022 National Defense Strategy, which codifies China as the US military's pacing challenge and seeks to prevent the PRC's dominance of key regions. He also releases the Nuclear Posture Review and the Missile Defense Review.
- **Oct. 29, 2022:** US Ambassador to China Nicholas Burns <u>meets</u> with State Councilor and Foreign Minister Wang Yi to discuss US-China relations.

Oct. 30, 2022: Secretary Blinken <u>speaks</u> with FM Wang Yi about responsible management of the US-China relationship, Russia's war against Ukraine, and the situation in Haiti.

Nov. 2, 2022: Federal Communications Commissioner Brendan Carr <u>travels</u> to Taipei, becoming the first FCC Commissioner to visit Taiwan, meets counterparts at the National Communications Commission, the Ministry of Digital Affairs, and the Ministry of Foreign Affairs.

Nov. 3, 2022: Commander of US Strategic Command <u>says</u> that US deterrence levels against China are sinking and China could outcompete the US in the future.

Nov. 5, 2022: Arleigh Burke-class destroyer USS Benfold (DDG 65) <u>carries</u> out a routine Taiwan Strait transit, US Pacific Fleet confirms.

Nov. 8, 2022: US Ambassador to China Burns meets China's Ambassador to the US Qin Gang, in Beijing.

Nov. 8, 2022: President Biden <u>extends</u> for an additional year the national emergency declared in 2020 related to the threat from securities investments that finance certain Chinese companies.

Nov. 10, 2022: Department of Treasury <u>delivers</u> its semiannual Report to Congress on Macroeconomic and Foreign Exchange Policies of Major Trading Partners of the United States, which calls for increased transparency from China, including on foreign exchange intervention.

Nov. 14, 2022: President Biden and President Xi hold a three-hour meeting on the sidelines of the G20 summit in Bali, Indonesia, their first inperson meeting as presidents.

Nov. 15, 2022: US-China Economic and Security Review Commission <u>releases</u> annual report to Congress.

Nov. 15, 2022: US Special Presidential Envoy for Climate John Kerry and Chinese Special Envoy for Climate Change Xie Zhenhua <u>meet</u> on the sidelines of COP 27.

Nov. 15, 2022: Congressional-Executive Commission on China <u>holds</u> a heading titled

"China's Zero-COVID Policy and Authoritarian Public Health Control."

Nov. 15, 2022: In <u>testimony</u> before the House Homeland Security Committee, FBI Director Christopher Wray says that China has stolen more US business and personal data than all other countries put together and that the FBI has serious national security concerns about the China-based TikTok app.

Nov. 15, 2022: Joint Chiefs of Staff Chairman Gen. Milley <u>says</u> in a Pentagon press briefing that he thinks President Xi will avoid attacking in Taiwan in the near future.

Nov. 16, 2022: US District Court for the Southern District of Ohio <u>sentences</u> Yanjun Xu, a Chinese intelligence officer, to 20 years in prison for attempting to steal technology and proprietary information from a US company.

Nov. 16, 2022: Treasury Secretary Yellen <u>meets</u> People's Bank of China Governor Yi Gang in Indonesia.

Nov. 18, 2022: US Trade Representative Katherine Tai <u>meets</u> Minister of Commerce Wang Wentao on the margins of the APEC Ministerial Meeting.

Nov. 22, 2022: Defense Secretary Austin <u>meets</u> with Minister of National Defense Gen. Wei Fenghe on the margins of the ASEAN Defense Ministers Meeting-Plus in Cambodia.

Nov. 29, 2022: Department of Defense <u>releases</u> its annual report, Military and Security Developments Involving the People's Republic of China.

Nov. 29, 2022: *Ticonderoga*-class guided-missile cruiser *USS Chancellorsville* (CG 62) <u>conducts</u> a freedom of navigation operation in the South China Sea near the Spratly Islands.

Nov. 30, 2022: Commerce Secretary Gina Raimondo gives <u>remarks</u> at MIT titled "US Competitiveness and the China Challenge."

Dec. 1, 2022: Defense Security Cooperation Agency <u>notifies</u> Congress of a proposed arms sale <u>to Taiwan</u> of 100 PAC-3 Missile Segment missiles, two PAC-3 MSE test missiles, and other equipment worth \$882 million, as additions to a January 2010 sale.

Dec. 3, 2022: US-China Economic and Security Review Commission <u>releases</u> a report on the PRC in International Organizations.

Dec. 4, 2022: Idaho Gov. Brad Little <u>arrives</u> in Taiwan for a four-day visit with a trade delegation.

Dec. 5, 2022: Defense Security Cooperation Agency <u>notifies</u> Congress of a proposed arms sale to Taiwan of 18 High Mobility Artillery Rocket Systems, 20 Army Tactical Missile Systems Pods, and other equipment worth \$520 million as an addition to an October 2020 sale.

Dec. 6, 2022: State Department approves possible Foreign Military Sale of aircraft standard and non-standard spare parts and related equipment to Taiwan, collectively worth approximately \$428 million.

Dec. 7, 2022: US Special Representative for the DPRK Sung Kim holds a videoconference with PRC Special Representative on Korean Peninsula Affairs Liu Xiaoming to discuss the DPRK's increasingly destabilizing and escalatory behavior.

Dec. 9, 2022: US Treasury <u>imposes</u> sanctions on two large Chinese fishing fleet companies that it accuses of engaging in illegal fishing and human rights abuses, and adds eight other Chinese fishing entities to its specially designated nationals list.

Dec. 9, 2022: Marking International Human Rights Day, the US <u>imposes</u> sanctions on two senior Chinese officials over "serious human rights abuses" in Tibet and another official for arbitrary detention of Falun Gong practitioners.

Dec. 10, 2022: US Ambassador to China Burns <u>criticizes</u> China's actions in Xinjiang and Tibet in a statement released in honor of International Human Rights Day.

Dec. 10, 2022: China's Ambassador to the US Qin Gang gives the keynote speech at the China General Chamber of Commerce annual gala in Chicago.

Dec. 11–12, 2022: Asst. Sec. of State for East Asian and Pacific Affairs Kritenbrink and National Security Council Senior Director for China and Taiwan Rosenberger <u>meet</u> Vice Foreign Minister

Xie Feng in Langfang, China, followed by stops in the Republic of Korea and Japan.

Dec. 12, 2022: China <u>lodges</u> compliant with the WTO against US-imposed export controls that aim to limit China's ability to develop a domestic semiconductor industry and develop its military.

Dec. 13, 2022: The Congressional-Executive Commission on China <u>hosts</u> a hearing titled "CECC at 20: Two Decades of Human Rights Abuse and Defense in China."

Dec. 15, 2022: Chinese Ambassador to the US Qin Gang <u>meets</u> Secretary of the Treasury Yellen in Washington, DC to discuss global macroeconomic and financial developments as part of efforts to maintain communication and work together on transnational challenges.

Dec. 15, 2022: US Department of Commerce <u>adds</u> 36 Chinese companies to its entity list, which requires anyone seeking to supply those companies with US technology to acquire a license from Washington. It removes 25 Chinese entities from the unverified list and applies the foreign direct product rule to 21 new entities.

Dec. 15, 2022: US Public Company Accounting Oversight Board <u>releases</u> statement confirming they were able to inspect and investigate registered public accounting firms in China and Hong Kong for the first time, allowing critical Chinese companies to avoid potential de-listing from US stock markets.

Dec. 16, 2022: Department of State <u>launches</u> the new Office of China Coordination, informally known as China House, which Secretary Blinken states is aimed at "ensuring we have the talent, tools, and resources to successfully execute US policy and strategy towards the PRC as the most complex and consequential geopolitical challenge we face."

Dec. 19, 2022: Department of State issues a statement supporting the Philippines in upholding the rules-based international order and freedom of navigation in the South China Sea. It criticized PRC vessels for interfering with the livelihoods of Philippines' fishing communities, disregarding other South China Sea claimants and states lawfully operating in the region, and conducting unsafe encounters with Philippines naval forces.

Dec. 20, 2022: US Representative John Curtis (UT-03) <u>leads</u> a delegation to Taiwan.

Dec. 21, 2022: WTO dispute panel <u>finds</u> that the US broke global trading rules by requiring that goods from Hong Kong be labelled "Made in China."

Dec. 21, 2022: US defense officials <u>hold</u> a hybrid in-person and virtual meeting with PRC defense officials to discuss the recently released DoD reports *National Defense Strategy* and "Military and Security Developments Involving the People's Republic of China."

Dec. 21, 2022: A PLA J-11 fighter <u>flies</u> within 20 feet of a USAF RC-135 reconnaissance aircraft, forcing it to take evasive action. The incident occurred over the South China Sea. The US Department of Defense releases the video on Dec. 29.

Dec. 22, 2022: Secretary Blinken <u>holds</u> a phone call with PRC FM Wang Yi.

Dec. 22, 2022: Speaking at a press availability to highlight four of the most consequential areas where diplomacy delivered in 2022, Blinken <u>says</u> the US has accelerated strategic convergence with the country's allies and partners on the PRC.

Dec. 23, 2022: In retaliation for sanctions imposed by the US on two Chinese officials on Dec. 9, China <u>sanctions</u> two Americans, Trump administration official Miles Yu and Todd Stein, deputy staff director with the U.S. Congressional-Executive Commission on China.

Dec. 23, 2022: Biden signs the National Defense Authorization Act, which will establish a specific defense modernization program for Taiwan and authorize up to \$10 billion in foreign military financing grants over the next five years and \$2 billion in loans, and restricts the use of Chinese semiconductors in items used by the military.

Dec. 25, 2022: PRC Politburo member and FM Wang Yi <u>delivers</u> a keynote speech on China's foreign relations at the Symposium on the International Situation and China's Foreign Relations.

Dec. 27, 2022: US Customs and Border Protection announces that merchandise produced or manufactured by Jingde Trading Ltd., Rixin Foods Ltd, and Zhejiang Sunrise Garment Group

Co. Ltd. will be barred from importation into the US from Dec. 5 due to use of North Korean labor in supply chains in violation of the Countering America's Adversaries Through Sanctions Act.

Dec. 28, 2022: State Department <u>approves</u> a possible Foreign Military Sale to Taiwan of Volcano (vehicle-launched) anti-tank munition-laying systems and related equipment for an estimated cost of \$180 million.

Dec. 29, 2022: President Biden signs into law the \$1.65 trillion Omnibus Consolidated Appropriations Act covering funding for the US government for fiscal year 2023 that includes provisions to authorize \$2 billion in loans to Taiwan to buy weapons from the US.

Chronology compiled by GMF research trainee Charlotte (Charlie) Kelly



COMPARATIVE

CONNECTIONS

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

US-KOREA RELATIONS

EVERYTHING EVERYWHERE ALL AT ONCE, EXTREMELY CLOSE AND INCREDIBLY LOUD

MASON RICHEY, HANKUK UNIVERSITY OF FOREIGN STUDIES ROB YORK, PACIFIC FORUM

Continuing a trend from the May-August <u>reporting period</u>, the final reporting period of 2022 in US-Korea relations was marked by an accelerated ratcheting up of tension. In short, numerous problems reared up on the Korean Peninsula from September-December, and good solutions have been few. And not only does this describe relations between the US and North Korea, but in their own, friendly way also the situation between Washington and Seoul, whose frequent invocations of rock-solid alliance cooperation belie unease about crucial areas of partnership. Two critical issues have been increasingly affecting the US-South Korea alliance in 2022, with the September-December period no exception. First, South Korea desires ever more alliance-partner defense and security reassurance from the US in the face of a growing North Korean nuclear threat and Chinese revisionism. Yet the US has downward-trending limits on credible reassurance as North Korea masters nuclear weapons technology that threatens US extended nuclear deterrence for South Korea. The US also faces less geopolitical pressure to effusively reassure its Indo-Pacific allies—including South Korea—as China grows to menace the regional order and the US consequently faces lower risk of ally hedging or realignment.

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Second, in part to compete with China by partially de-coupling from it, over the last decade US economic statecraft—globally and regionally in the Indo-Pacific—has solidified a dramatic de-globalization shift that demands disruptive geo-economic bandwagoning by allies (such as South Korea) while giving little in return. Washington's weak sauce Indo-Pacific Economic Framework (see prior Comparative Connections for more) and dismissive attitude to Seoul regarding the <u>Inflation Reduction Act</u> (more below) are potent symbols of this. Thus, although the US and South Korea remain allies and partners with shared values and deep incentives and path dependence for cooperation, there are real, substantive, vigorously roiling challenges to the relationship that cannot be successfully met with traditional "ironclad," "linchpin" shibboleths.

As for US-North Korea relations, the alpha-andomega is Pyongyang's nuclear and missile program. During the September-December reporting period, the Kim Jong Un regime continued to produce fissile material for manufacturing nuclear warheads, and engaged in an <u>unprecedented pace of missile launches</u> both activities in gross violation of international law. This was accompanied not only by Pyongyang's usual vitriol against supposed Washington "hostile policy" and "warmongering," but also by increasingly strong statements that denuclearization diplomacy with the US is dead. This dynamic was bookended by North Korea's new nuclear weapon law in September (which refers to Pyongyang's nuclear weapon possession as "irreversible") and a Korea Worker's Party Plenum in December, at which Kim called for "exponential growth" of Korea's nuclear arsenal. North denuclearization diplomacy apparently dead, the US-South Korea alliance has seemingly entered a phase of long-term nuclear deterrence vis-à-vis North Korea, a fraught situation holding many perils.



Figure 1 A photo of what state news agency KCNA reports is the test firing of a hypersonic missile at an undisclosed location in North Korea, released on January 6, 2022. Photo: KCNA via Reuters

US-South Korea Relations: A Fist Full of Solace

The lead issue for the US-South Korea alliance is typically North Korea, notably as concerns defense and security. This makes sense, as the US-South Korea alliance primarily exists to defend South Korea from North Korean attack and thus provide for stability in Northeast Asia, which is also valuable for the US. Over time, of course, Washington-Seoul relations have grown into a comprehensive strategic partnership that military includes the alliance, economic/trade relations, shared political values, and cooperation in the maintenance of the post-WWII rules-based international order. And therein lies the rub at present: the US remains an indispensable, formidable, and reliable military alliance partner for South Korea (though there are challenges and stresses, as discussed below), but is also conducting economic statecraft both globally and in the Indo-Pacific seemingly detrimental to and dismissive of South Korean economic interests, not to mention broadly out of step with trade rules anchored in international law. Thus the discussion of US-South Korea relations in the September-December 2022 Comparative Connections begins with a look at economic tensions between Washington and Seoul, which in turn also have knock-on effects on the trust underlying the political solidity of the military alliance.

The <u>principle proximate problem</u> in US-South Korea trade relations is the Inflation Reduction Act (IRA), US economic legislation from August 2022 that provides discriminatory subsidies for electric vehicles (EV) in order to incentivize production in the US. Inter alia this part of the

IRA—which is generally considered against WTO rules and violates the KORUS FTA-will hurt South Korean auto manufacturers Hyundai and Kia, as well as Korean suppliers downstream of them. South Korean officials have referred to the subsidies as a "betrayal," and already in the May-August Comparative Connections mentioned the IRA as a potential risk for alliance unity. Things have not improved much, even as the issue has taken up a lot of time and energy for alliance managers. The Yoon administration has at points (see chronology below) dispatched its trade minister, foreign minister, prime minister, and sundry senior officials to discuss the issue with the US trade representative, commerce secretary, secretary of state, deputy secretary of state, national security advisor, and members of Congress. Meetings have been held bilaterally in Washington and Seoul, as well as at the sidelines of multi-lateral diplomatic gatherings such as the G20, the UN General Assembly, APEC, etc. President Yoon has personally discussed the issue with President Biden. South Korea is considering bringing the matter before the WTO if it is not satisfactorily remedied, and has been in consultations with other aggrieved US trade partners (notably the EU and Japan) on how to proceed in pressuring the US to alter the IRA.



Figure 2 South Korean President Yoon Suk Yeol briefly speaks with US President Joe Biden after attending a conference hosted by the Geneva-based Global Fund to Fight AIDS, Tuberculosis and Malaria in New York on Sept. 21, 2022. Photo: Yonhap

For its part, the Biden administration has been reluctant to admit that the IRA represents a problem for South Korea, instead proffering typical bromides that <u>acknowledge notice of Seoul's concerns</u> while also downplaying them and <u>minimizing the possibility of substantive change</u> to the law, which would have to pass a generally dysfunctional Congress unlikely to

treat the specific issue of the IRA as a priority. The most the Biden administration has offered heretofore is to use executive authority to interpret the law in a way that will allow overseas companies (such as Hyundai and KIA) to qualify for the subsidy for electric vehicles that it sells for commercial purposes (e.g., vehicles for the rental car market).

Washington's response to Seoul's objections to the IRA has obviously not mollified Seoul, and a weekly—seemingly daily—drumbeat of stories (again, see chronology) on the topic in South Korean media has exacerbated the negativity and weakened (even if only very moderately) the trust and mutual respect that should underly the alliance. The IRA is also symbolic of a larger issue in relations between the US and its allies, notably in the Indo-Pacific: lack of US economic statecraft that produces outcomes desired by the US's regional allies and partners. Under both Trump and Biden the US has remained allergic to contemplating (re-)joining regional multilateral trade deals (e.g., the CPTPP), and the Biden administration's signature regional economic proposal, the Indo-Pacific Economic Framework (IPEF), is a largely undeveloped project with unknown staying power.

The only certainty is that IPEF does not contain market access provisions, which is the main item IPEF members (including South Korea) want. The suspicion is that IPEF is largely an exclusive US policy intended as a part of Washington's strategic competition with Beijing, a dynamic in which many US partners and allies (including South Korea) have extremely limited interest, in part because China is much more present economically in the Indo-Pacific (including in market-access trade deals such as RCEP). South Korea signed on to IPEF—as well as the US-led Chip-4 grouping intended to limit Chinese access to high-end semiconductors—more out of alliance obligation than conviction, so to be rewarded with US protectionism in the IRA (as well as controversial technology export controls) has been a bitter pill to swallow, a source of significant alliance friction, and another data point for questioning US strategy in the Indo-Pacific.

Beyond economics and trade, the more visible challenge for the US-South Korea alliance is the maintenance of effective deterrence and warfighting readiness vis-à-vis North Korea. Although the Yoon and Biden administrations largely (though not completely) fixed some of

the alliance fraying that emerged during the Moon and Trump administrations, solidified Washington-Seoul military cooperation now faces increasingly complicated external threats from North Korea. At root this is due to Pyongyang's improving nuclear arsenal, especially its missile capabilities, which were on unprecedentedly frequent display in tests and demonstrations during fall 2022 (see US-North Korea section). The Kim regime's apparent qualitative and quantitative progress on short-/medium-/intermediate-/long-range

conventional and nuclear-capable missiles, as well as <u>likely development</u> of tactical nuclear weapons, <u>challenges</u> both US-South Korea conventional deterrence and US extended nuclear deterrence for South Korea. Much US-South Korea military alliance activity during the September-December 2022 period was dedicated to trying to meet that challenge.

In the first place, the US-South Korea Extended Deterrence Strategy and Consultation Group (EDSCG) continued meeting in fall 2022. This group intends to coordinate US-South Korea alliance thinking on how to ensure a combined strategic posture and response to North Korea's nuclear weapon capabilities, thus hopefully reassuring South Korea of US extended deterrence credibility and lowering the fear of US-South Korea strategic de-coupling. Beyond the EDSCG, all manner of US and South Korean senior defense, security, and foreign policy officials—as well as Presidents Biden and tight Yoon—intoned Washington-Seoul coordination on integrated deterrence of North Korea. The US-South Korea Security Consultative Meeting and the Military Committee Meeting were held as scheduled, with senior defense officials from both sides agreeing on closer coordination on a combined defense posture. extended nuclear deterrence improvements, and "routine" and "constant" deployment of US strategic assets to and around the Korean Peninsula.

Actions accompanied words in fall 2022, as the US and South Korea conducted several combined military exercises focused on the North Korea threat, including the conclusion of <u>Ulchi Freedom Shield</u> (started in August); <u>naval exercises</u> (both bilateral and trilateral with Japan) involving the USS Ronald Reagan aircraft carrier strike group; <u>Vigilant Storm air power</u> exercises (which were prolonged as a response to North Korean missile launches) with more than 240 air assets, including stealth fighters and B1B

bombers; and South Korean "Hoguk" drills that included US Forces Korea (USFK) troops. USFK troops also carried out unilateral Teak Knife "surgical strike" training, and there were several trilateral (US-South Korea-Japan) naval exercises covering anti-submarine warfare and combined operations involving the USS Ronald Reagan carrier strike group.



Figure 3 Ticonderoga-class guided-missile cruiser USS Chancellorsville (CG 62) along with Japan Maritime Self Defense Force (JMSDF) guided-missile destroyer JS Chokai (DDG 176) and Republic of Korea Navy guided-missile destroyer ROKS Sejong The Great (DDG 991) conduct a tri-lateral Ballistic Missile Defense (BMD) exercise in the Sea of Japan, October 2022. Photo: US Navy

Yet, despite all the right words and signals of alliance military strength, there remains a nagging sense that deterrence—conventional and extended nuclear—on the Korean Peninsula is fragile and under heightened threat. This sense is not unreasonable, as North Korea's quantitatively growing and quantitatively improving nuclear/missile capabilities are matched by Pyongyang's worrisome nuclear doctrine and posture pronouncements (which countenance pre-emptive nuclear strikes), as well provocative actions and harassment of South Korean territory, including a missile crossing the de facto North-South maritime border (Northern Limit Line), aircraft sorties approaching South Korean airspace, and drones actually violating South Korean airspace.

The official Washington and Seoul approach to these challenges has mostly been "more of the same, but better": more and better consultation, more and better exercises, more and better strategic asset deployment, etc. There have been two main exceptions to that. First, Yoon instigated an alliance communication kerfuffle by insisting in public statements that the US and South Korea would engage in combined "nuclear

exercises" in order to solidify extended nuclear deterrence, an assertion leading to minor diplomatic disagreement over several days, including finally a terse rejection of Yoon's statement by President Biden. The poor alliance management during the confused spat was bad enough, but the real news is the underlying belief, apparently held by Yoon, that US extended nuclear deterrence is indeed not currently sufficient or credible, and that "more of the same" in US-South Korea military alliance relations is not a viable answer for Seoul. Second, the one obvious, feasible shift that could in principle rearrange the status quo vis-a-North Korea is improved, scaled-up trilateral defense and security cooperation with Japan, and indeed the US and South Korea are enacting that (or planning on it) in areas such as naval exercises, intelligence sharing, and (potentially) antimissile defense cooperation. This would help neutralize some of North Korea's stratagems, and potentially make North Korean attack either more costly or less likely to succeed (or both); it would also be a source of concern (and potentially serious discord) with China. Perhaps that is a feature, not a bug, as Washington has made clear that if Beijing does not help rein in Pyongyang, the US-South Korea-Japan military cooperation that worries China so much could be in the offing.

It is also worth noting that outside officialdom, there has been a growing sense that the fragility of and heightened threats to deterrence on the Korean Peninsula require a new set of answers. A significant part (~70%) of South Korea's population, as well as a small number of mainstream think-tank analysts and politicians, are now in favor of (in the abstract) acquisition of indigenous nuclear weapons, with support correlating with beliefs that North Korea will not denuclearize and that US extended nuclear deterrence guarantees are insufficiently credible (although national pride and a forward-looking desire to deter China are also factors). Going in the opposite proliferation direction, there are growing voices arguing for arms control talks with North Korea. Richard Haass, former US State Department Policy Planning Director under President G.W. Bush and the living embodiment of the Washington foreign policy mainstream, acknowledged denuclearization that unrealistic and arms control thus advisable. This perspective also got a small boost from "official Washington" when Bonnie Jenkins, US State Department Undersecretary for Arms Control, made a lengthy public statement positively

assessing the possibility of arms control negotiations with North Korea. Jenkins's remarks were quickly walked back by the Biden administration. In any event, arms control proponents have one thing on their side: the assumption that denuclearization is dead, the era of long-term extended nuclear deterrence vis-à-vis North Korea has arrived (but that deterrence may not hold), and that security dilemma risks will thus grow in the absence of mechanisms to mitigate them.

Finally, in the "various and sundry" category of US-South Korea relations, the September-December period featured numerous multilateral diplomatic gatherings—UN General Assembly, G20, APEC, and ASEAN and East Asian Summits—at which South Korean and US officials met both in the multi-lateral fora and bilaterally on the sidelines. These meetings naturally covered the aforementioned IRA and North Korea, but also COVID-19, climate change, the Russia-Ukraine War, and other regional and global issues. South Korea also released its longawaited Indo-Pacific Strategy, which struck a balance between dovetailing with US interests in the region and reassuring China that Seoul remains a partner solicitous of good economic relations with Beijing. As concerns South Korea's contribution to the war effort in Ukraine—an important issue for the US-in late fall Seoul agreed to provide artillery shells to the US that are destined for Ukraine as end-user. In December South Korean tanks and howitzers arrived in Poland as part of a deal in which Warsaw was backfilled by Seoul for supplying Kviv with older-era equipment. In both cases, South Korea was able to make good on its promise to support Ukraine while not violating its pledge to refrain from directly supporting Ukraine with offensive weapons.

US-North Korea Relations: Chaos Muppet Unchained

From September-December 2022, North Korea had its most active missile testing period in history, including a day in November featuring a 23-missile barrage. Whether it was the technical need for testing systems under development, missile crews, training for capability demonstrations for international messaging, or taking advantage of a permissive international environment (in which China and Russia have protected North Korea from United Nations Security Council sanctions), Kim Jong Un was unchained in the final trimester of 2022. The

testing spree began in the last week of September, when the North <u>fired</u> a short-range ballistic missile (SRBM) toward the Sea of Japan (East Sea) on the 25th, then fired two more SRBMs into the same sea just three days later. The proximate cause of the launches appeared to have arisen from events on Sept. 23, when the nuclear-powered USS Ronald Reagan arrived in South Korea to conduct joint exercises. These exercises would take place on the 26th, and if the tests themselves were not enough of a hint, the North's representative at the UN on the following day said that the "security environment of the peninsula was caught in a vicious cycle of tensions and confrontations due to the growing hostility of the United States."

On Oct. 4, the North <u>fired</u> an intermediate-range ballistic missile (Hwasong-12 IRBM) over Japan, its first such launch in eight months (and the first over the Japanese archipelago since 2017). Two short-range tests <u>followed</u> on Oct. 6, <u>two more</u> on Oct. 9, <u>one more</u> on the 14th (accompanied by around 170 artillery <u>shots</u> into the maritime "buffer zones"), plus more <u>artillery shots</u> on the 19th, and <u>two</u> more SRBMs on the 28th. These were not the only provocations the regime committed in October. North Korean state media <u>reported</u> on Oct. 10 that missile activity had included the simulated use of its tactical battlefield nuclear weapons to "hit and wipe out" potential South Korean and American targets.

Then, on Oct. 13 state media reported that leader Kim Jong Un had <u>supervised</u> the test-firing of long-range strategic cruise missiles involving units operating "tactical nukes" to demonstrate the country's deterrence capabilities. On the 14th approximately 10 North Korean military aircraft <u>flew</u> close to the border with South Korea, prompting the South Korean Air Force to scramble F-35 stealth fighters and other assets to the scene.

On Nov. 2 North Korea <u>launched</u> a record barrage of missiles and artillery shells, with one SRBM flying across the de facto maritime border (NLL) with South Korea. This was followed up with North Korea <u>firing</u> an intercontinental ballistic missile and two short-range missiles toward the Sea of Japan/East Sea (the ICBM launch was later called a <u>failure</u> by a South Korean defense source). Two days later Pyongyang <u>launched</u> three SRBMs toward the East Sea, and <u>one more</u> on the 8th. South Korea <u>scrambled</u> around 80 planes after detecting more than 180 North Korean military aircraft active near South Korean

airspace on the 17th. On Nov. 18 Kim Jong Un supervised the firing of the Hwasong-17 intercontinental ballistic missile (ICBM). Unlike on November 3rd (and tests earlier in the year), this launch of the Hwasong-17—with a reputed range of more than 9,000 miles, sufficient to target the entire US—is believed to have been a success. Kim Jong Un certainly treated it as such, stating that the firing of the intercontinental ballistic missile was representative of North Korea's "strategic forces and its powerful combat performance as the strongest strategic weapon in the world." Interestingly, Kim Jong Un's daughter, Ju Ae, apparently attended the Nov. 18 ICBM launch (North Korean media also later showed her inspecting mass-production lines of nuclear-capable Hwasong-12 IRBMs in December). Although much analyst/expert speculation centered on Ju Ae's potential to succeed Kim Jong Un, a second, symbolic message precluding denuclearization was as important: North Korea's nuclear arsenal is intended to be bequeathed to posterity.



Figure 4 North Korean leader Kim Jong-un with his daughter Ju-ae in a photo released by the Korean Central News Agency. Photo: KCNA

In December, North Korea began the month by firing 130 artillery shells into inter-Korean maritime buffer zones. On December 16 it then tested a high-thrust, solid-fuel rocket engine likely intended for long-range, nuclear-armed missiles, as was prioritized by Kim at the 8th Korean Worker's Party Congress in 2021. If this technology succeeds, it would greatly enhance North Korea's nuclear arsenal, whose liquidfueled ICBMs are currently vulnerable on the ground prior to launch. On the 19th, Pyongyang conducted a "final-stage" test evaluating the capabilities for putting a military reconnaissance satellite into orbit, with a spokesperson at the Aerospace Development National Administration saying the regime would finish

preparations for its first military reconnaissance satellite by this coming April. Pyongyang then ended the year by <u>firing</u> two SRBMs into the East Sea on Dec. 23, and three more on Dec. 31.

Essentially, trends from earlier in the year, when the North expanded its nuclear capabilities (while suggesting they were not only for deterrence), continued in the final reporting period of 2022. On Sept. 9, while celebrating the 74th anniversary of the national founding, Kim did more than just tell the 14th Supreme People's Assembly that the country would resist any sort of pressure to give up nuclear weapons (calling North Korea's possession of nuclear weapons "irreversible"), rather also spelling out five conditions for using them in a pre-emptive strike. All of these involved the use (or imminent use) of nuclear weapons by adversaries, lethal strikes on key North Korean strategic assets, or other actions by which the North Korean state would be threatened by a "catastrophic" event impacting the safety of its people. Pyongyang did claim, however, that it would not share nuclear weapons or associated technology with other countries. This recalcitrant attitude at the beginning of the September-December reporting period was bookended by an end-of-year Korean Worker' Party Plenum, in which Kim called for "exponential" growth of North Korea's nuclear arsenal.

Unsurprisingly all this has gone along with no evident progress on the diplomatic front for Washington or Seoul; the US reportedly made a dialogue offer in July through its New York channel, but as with other diplomatic offers since Biden's administration commenced there has been no response. Instead officials from the North have drawn a direct correlation between their actions and those undertaken by the US-South Korea alliance: Kim Song, North Korea's ambassador to the United Nations, has urged the US to suspend joint exercises with South Korea and claimed that its missile launches have been provoked by South Koreans. For good measure, a ruling party official has said that the US and South Korea will "pay the most horrible price in history" if they attempt to use armed forces against North Korea. Near the end of the year, Kim Yo Jong, younger sister of and frequent attack dog for Kim Jong Un, lambasted those who question the regime's satellite development capabilities following its Dec. 19 test, and suggested another, more threatening one would follow: "They will immediately recognize it in case we launch an ICBM in the way of real angle

firing straight off... I think that they would be well advised to halt their nonsense and think twice."

If there is any upside to all of this, it's that South Korea and the US, even if irritated over the traderelated issues noted above, <u>continue</u> to <u>speak</u> in one voice regarding North Korea's provocations. Virtually all of the tests North Korea conducted in the third trimester of 2022 were greeted by unified statements from US and South Korean representatives, and frequently joined by Japan. Other statements—such as from People Power Party chairman Chung Jin-suk in October warning that North Korea seeks to break the US-South Korea alliance and calling for enhanced deterrence—indicate that South Korea's view of the US as security guarantor has not changed, and will not while conservatives remain in the Blue House. Another positive is that North Korea's seventh nuclear test has reportedly been "imminent" since spring, but still has yet to take place despite US government warnings.

The bad news is that whatever has prevented Pyongyang from taking that decisive step is not obvious to the outside world, and therefore it is impossible to say for certain that such conditions will continue. Furthermore, signs at the UN indicate that Russia and China remain unwilling to authorize punitive measures against the North if it should test another nuclear weapon, which is unsurprising considering the state of Washington's relations with Moscow and Beijing (and with the US accusing the North of arming Russia with ammunition to help it in its illegal invasion of Ukraine).

While officials in Washington say they have begun preparing for "contingencies" with untold "overwhelming force" awaiting the North in the event of a nuclear test, they remain mum on details. The continuance of joint military drills—often in direct response to North Korean missile tests—is also indicative of their cooperation, but shows little sign of actually changing the North's behavior, if statements by Kim Jong Un, his sister, and other government functionaries are to be believed.

Under such circumstances, more of the same may be the best the alliance can hope for.

Conclusion: An Offensive Realism

In the coming year the US and South Korea are expected to <u>conduct</u> as many as 20 "realistic" joint drills in order to bolster deterrence and improve combined military readiness in the face of North Korea's continued recalcitrance and threatening behavior. If drills in response to specific provocations by Pyongyang persist, 20 may be a low estimate, and last spring was an especially <u>testing time</u> for peninsular tensions. One of the biggest questions will be whether North Korea carries out its long-predicted seventh nuclear test, and, if so, to what extent it will display progress toward a reliable tactical nuclear warhead.

As for US-South Korea alliance relations, there appears to be appetite on both sides to continue dialogue over the IRA, especially as South Korea has lent its weight to the Biden administration's IPEF and Chip-4 Alliance initiatives (nebulous as they are), and support for the alliance remains a matter of mostly bipartisan consensus (for now). The last National Defense Authorization Act took place in the waning days of the last Congress, however, and US legislators warned the revisions to the IRA were unlikely amid the lame-duck session between November and January. Going forward, if US Congressional action is required to address impasses in the alliance, recent events on Capitol Hill suggest that what was once procedurally standard can no longer be taken for granted.

CHRONOLOGY OF US-KOREA RELATIONS

SEPTEMBER — DECEMBER 2022

Sept. 1, 2022: South Korea and the US <u>wrap up</u> the Ulchi Freedom Shield exercise. US Brig. Gen. Pat Ryder notes the importance of the exercise for strengthening the "security and the stability on the Korean Peninsula and Northeast Asia."

Sept. 2, 2022: President Yoon Suk Yeol <u>meets</u> with Gov. Doug Ducey of Arizona and asks for Ducey's cooperation in addressing South Korea's concerns about the Inflation Reduction Act.

Sept. 5, 2022: South Korean Defense Minister Lee Jong-sup <u>discusses</u> with a group of visiting US House representatives to bolster combined defense posture amid concerns of another North Korea nuclear test.

Sept. 5, 2022: South Korean National Assembly Speaker Kim Jin-pyo <u>meets</u> with a US congressional delegation led by Rep. Stephanie Murphy (D-Florida) to raise South Korea's concerns about the Inflation Reduction Act.

Sept. 6, 2022: South Korean Prime Minister Han Duck-soo <u>meets</u> with US Ambassador to South Korea Philip Goldberg and requests Washington's consideration for South Korean firms entering the US market following the Inflation Reduction Act.

Sept. 6 2022: South Korean Trade Minister Ahn Duk-geun <u>arrives</u> in the United States for talks on the Inflation Reduction Act and <u>meets</u> with White House National Economic Council Director Brian Deese and US Trade Representative Katherine

Sept. 7, 2022: South Korean Land Minister Won Hee-ryong meets with US Ambassador to South Korea Philip Goldberg to discuss cooperation in transportation and construction. Goldberg asks for South Korean companies to invest in US transportation infrastructure and launch the relocation project of US Embassy headquarters in Seoul. Won asks Goldberg to deliver Seoul's concerns over the Inflation Reduction Act.

Sept. 8, 2022: US <u>develops</u> "Unhiding Hidden Cobra," a nine-day training program designed to help detect and prevent malicious cyber activities by North Korea.

Sept. 8, 2022: After meeting with White House National Economic Council Director Brian Deese and US Trade Representative Katherine Tai, South Korean Trade Minister Ahn Duk-geun states that South Korea and the US will launch ministerial level talks on minimizing damage from the Inflation Reduction Act on South Korean carmakers

Sept. 9, 2022: North Korea <u>celebrates</u> the 74th anniversary of its founding. At the 14th Supreme People's Assembly, North Korea announces five conditions for a nuclear preemptive strike, states that it will not share nuclear weapons and technology with other countries, and reaffirms that the country will resist all sanctions and pressures to give up its nuclear weapons.

Sept. 11, 2022: South Korea and 13 other member nations of the Indo-Pacific Economic Framework <u>agree</u> to start official negotiations to boost regional economic cooperation.

Sept. 13, 2022: A recent Korea Information Society Development Institute report <u>finds</u> that South Korea's participation in the Chip 4 alliance would be a "rational" decision for the country amid intensifying competition for global technology.

Sept. 14, 2022: South Korea's Personal Information Protection Commission <u>approves</u> the fines of 69.2 billion won (\$55.2 million) for Google and 30.8 billion won for Meta Platforms for collecting personal information without users' consent.

Sept. 15, 2022: South Korean Defense Minister Lee Jong-sup <u>states</u> that South Korea and the US will revise contingency plans for nuclear crisis scenarios in their joint deterrence strategy and make intelligence-sharing more systematic.

Sept. 15, 2022: South Korean Vice Defense Minister Shin Beom-chul <u>visits</u> the Pentagon to discuss bilateral cooperation in high-defense tech projects. Shin also holds bilateral talks with US Undersecretary of Defense for Acquisition and Sustainment William LaPlante to discuss the expansion of South Korean firms' participation in the US defense supply chain.

- **Sept. 16, 2022:** South Korean Vice Foreign Minister Cho Hyun-dong <u>points</u> out the "discriminatory elements" in the Inflation Reduction Act while meeting with US officials.
- **Sept. 16, 2022:** United States and South Korea hold the third meeting of the Extended Deterrence Strategy and Consultation Group (EDSCG) which provides a forum for discussions on strategies to strengthen Alliance deterrence on the Korean Peninsula.
- **Sept. 18, 2022:** Yoon <u>states</u> that "South Korea will take a more clear position with respect to US-China relations" and criticizes the diplomacy of his predecessor, Moon Jae-in.
- **Sept. 20, 2022:** Yoon <u>arrives</u> in New York to attend the 77th session of the UN General Assembly and plans to hold a series of summits on the sidelines with US President Joe Biden and Japanese Prime Minister Kishida Fumio.
- **Sept. 20, 2022:** After meeting with US Secretary of Commerce Gina Raimondo, South Korean Industry Minister Lee Chang-yang <u>expresses</u> worries that the negative impacts of the Inflation Reduction Act will have impacts on bilateral ties.
- **Sept. 20, 2022:** South Korean and American soldiers <u>conduct</u> combined training at the National Training Center in California to improve "warfighting" and "interoperability" capabilities.
- **Sept. 20, 2022:** Reports say the US <u>made</u> a dialogue offer in July to North Korea through the New York channel but North Korea has yet to respond.
- **Sept. 21, 2022:** South Korean and US Marine Corps <u>develop</u> a five-year plan to strengthen combined amphibious landing exercises.
- **Sept. 21, 2022:** Yoon <u>asks</u> UN Chief António Guterres for a stern response to North Korean provocations and thanks Guterres for supporting the "complete, verifiable, and irreversible" denuclearization of North Korea.
- **Sept. 22, 2022:** Biden and Yoon <u>hold</u> a brief bilateral meeting on the sidelines of the 77th of the United Nations General Assembly and reaffirm "their commitment to strengthen the US-ROK alliance and ensure close cooperation to address the threat" posed by North Korea.

- **Sept. 22, 2022:** In an address to the UN General Assembly, Biden <u>names</u> North Korea as one of the main reasons why the United Nations should work to strengthen the nuclear nonproliferation regime and states that the US is prepared to pursue "critical arms control measures."
- **Sept. 22, 2022:** Yoon <u>asks</u> Biden to resolve South Korea's concerns over the Inflation Reduction Act. Biden affirms that he is aware of the concerns and states that both sides should continue discussions.
- **Sept. 22, 2022:** Yoon and Kishida <u>agree</u> to improve relations by resolving pending issues and share concerns about North Korea's nuclear program.
- **Sept. 22, 2022:** South Korea's Vice Defense Minister Shin Beom-chul <u>assures</u> the South Korean public that the US and South Korea will ensure that "consultations would not move in a direction that undermines security on the Korean Peninsula."
- **Sept. 23, 2022:** South Korea <u>draws</u> investment worth a combined \$1.5 billion from seven North American firms in the semiconductor, battery, and energy sectors. The seven firms plan to build facilities in South Korea.
- Sept. 23, 2022: In reference to a video circulating of South Korean President Yoon Suk Yeol speaking to his aides in vulgar language in supposed reference to the US Congress and US President Joe Biden, Yoon's office <u>clarifies</u> that the president was speaking about South Korea's opposition-controlled National Assembly.
- **Sept. 23, 2022:** On the sidelines of the G20 meeting, South Korean Trade Minister Ahn Dukgeun and US Trade Representative Katherine Tai agree to make joint efforts to seek solutions regarding the Inflation Reduction Act.
- **Sept. 23, 2022:** Second Vice Foreign Minister Lee Do-hoon <u>meets</u> with White House Indo-Pacific Coordinator Kurt Campbell to discuss the Inflation Reduction Act. Lee also meets with Sen. Jon Ossoff (D-Georgia), Rep. Darin LaHood (R-Illinois), and Rep. Young Kim (R-California).
- **Sept. 23, 2022:** US <u>stands</u> by its intelligence that Russia is seeking to purchase ammunition from North Korea, despite a North Korean statement earlier this week that it has never exported any

weapons or ammunition to Russia and does not plan to do so.

Sept. 23, 2022: Nuclear-powered USS *Ronald Reagan* aircraft carrier <u>arrives</u> in South Korea to conduct its first combined drills with the South Korean Navy, two days later, North Korea <u>fires</u> a short-range ballistic missile toward the East Sea, the North's fifth missile firing since the Yoon administration took office.

Sept. 26, 2022: Yoon <u>states</u> that "untrue" reports of his <u>remarks</u> caught on a hot mic during an event in New York damaged South Korea's alliance with the United States.

Sept. 26, 2022: US Ronald Reagan Carrier Strike Group <u>conducts</u> a series of exercises with the Republic of Korea Navy. Kim Song, North Korea's ambassador to the United Nations, <u>calls</u> the joint military exercise an "extremely dangerous act" and argues that it arouses "serious concerns."

Sept. 27 2022: Kim Song, head of the North Korean mission to the United Nations, <u>states</u> that the "security environment of the Korean Peninsula is now caught in a vicious cycle of tensions and confrontations due to the growing hostility of the United States" during an address to the UN General Assembly.

Sept. 27, 2022: Previous USFK Commander Gen. Robert Abrams <u>states</u> that the United States will preserve "all options" in determining what forces might be used in the event of a military conflict between China and Taiwan.

Sept. 27, 2022: South Korean Ambassador Cho Tae-young <u>states</u> that South Korean Yoon and Biden have reaffirmed their commitment to resolving issues concerning the Inflation Reduction Act.

Sept. 27, 2022: US Department of State Press Secretary Ned Price <u>states</u> that North Korea is in a "period of provocation" but the United States remains committed to engage with North Korea in serious diplomacy.

Sept. 28, 2022: North Korea <u>fires</u> two short-range ballistic missiles into the East Sea, just three days after the North fired one SRBM earlier this week.

Sept. 28, 2022: South Korean Deputy Trade Minister Jeong Dae-jin meets with 18

ambassadors to Seoul from several EU nations to ask seek joint responses over the US Inflation Reduction Act.

Sept. 29, 2022: North Korea <u>fires</u> two short-range ballistic missiles into the East Sea, making this its third provocation in less than a week. The United States quickly <u>condemns</u> its recent ballistic missile launches but urges North Korea to engage in dialogue.

Sept. 29, 2022: Harris <u>promises</u> Yoon that the United States will look for solutions to South Korea's concerns regarding the Inflation Reduction Act.

Sept. 30, 2022: Following recent North Korean missile provocations, a US Forces Korea unit <u>carries</u> out Exercise Teak Knife, a series of surgical strike drills, at US base Camp Humphreys.

Sept. 30, 2022: United States Indo-Pacific Command <u>releases</u> a statement reaffirming its "ironclad" commitment to the defense of South Korea and Japan following North Korea's recent firing of two ballistic missiles into the East Sea.

Sept. 30, 2022: South Korea, Japan, and the United States <u>conduct</u> a trilateral antisubmarine exercise, following North Korea's short-range ballistic missile launches this week.

Oct. 1, 2022: North Korea <u>fires</u> two short-range ballistic missiles into the East Sea, just a day a day after South Korea, the United States, and Japan staged an anti-submarine warfare exercise. This marks North Korea's fourth missile launch within a week.

Oct. 1, 2022: In light of North Korea Freedom Week, the US State Department releases a statement <u>urging</u> for global efforts to improve human rights conditions in North Korea.

Oct. 4, 2022: North Korea <u>fires</u> an intermediaterange ballistic missile (IRBM) over Japan, making this the North's first launch of an IRBM in eight months and the fifth missile test in just over a week. In response, a South Korean F-15K fighter <u>fires</u> two JADAM precision bombs at a firing range on a Yellow Sea island and air drills with the US in a combined strike package.

Oct. 4, 2022: South Korean Foreign Minister Park Jin and United States Secretary of State Antony Blinken <u>agree</u> to strengthen cooperation in responding to North Korea's missile tests, including a new UN resolution against North Korea and trilateral action with Japan.

Oct. 4, 2022: South Korea-US Combined Forces Command <u>plans</u> to move its headquarters to Camp Humphreys in Pyeongtaek.

Oct. 5, 2022: South Korea and the United States <u>fire</u> four ground-to-ground missiles into the East Sea in joint drills to demonstrate the allies' deterrence capability.

Oct. 5, 2022: Biden <u>sends</u> a letter to Yoon expressing his willingness to continue talks on the Inflation Reduction Act.

Oct. 5, 2022: United States, among other countries, <u>call</u> for an emergency meeting of the UN Security Council. The session ends with no agreement on next steps, with Russia and China insisting that US-led military exercises in the region provoked North Korea.

Oct. 5, 2022: US National Security Advisor Jake Sullivan <u>discusses</u> appropriate responses the international community should take with his South Korean counterpart Kim Sung-han and Japanese counterpart Akiba Takeo.

Oct. 5, 2022: USS Ronald Reagan <u>returns</u> to the waters east of South Korea to conduct a trilateral exercise with South Korea and Japan in a show of force following North Korea's recent ballistic missile launches.

Oct. 6, 2022: North Korea <u>fires</u> two short-range ballistic missiles into the East Sea, making this the sixth missile test in under two weeks. In response, Yoon <u>states</u> that he "will thoroughly take care of the people's lives and safety through a strong South Korea-US alliance and security cooperation between South Korea, the US, and Japan."

Oct. 6, 2022: North Korea <u>condemns</u> the United States for redeploying the USS *Ronald Reagan* into the waters east of South Korea, stating that the US "poses a serious threat to the stability of the situation on the Korean Peninsula."

Oct. 6, 2022: South Korea, Japan, the United States, and eight other UN member countries <u>issue</u> a joint statement condemning North Korea for its ballistic missile provocation and call on

other UN members to urge North Korea to abandon its "unlawful weapons programs."

Oct. 6, 2022: Kim Gunn, special representative for Korean Peninsula peace and security affairs, and American counterpart Sung Kim <u>voice</u> "serious concerns" regarding North Korea's recent firing of two short-range ballistic missiles.

Oct. 6, 2022: South Korea, Japan, and the United States <u>conduct</u> a joint naval exercise in the East Sea focusing on countering nuclear and missile threats from North Korea.

Oct. 7, 2022: South Korea and the United States conduct a joint naval exercise involving a nuclear-powered aircraft carrier to reinforce the allies' operational capabilities against North Korean provocations.

Oct. 7, 2022: South Korean Ambassador Lee Shin-hwa, special envoy for international cooperation on North Korean human rights, argues that appointing a US special envoy for North Korean human rights—a post vacant for five years—will send a clear message to North Korea that human rights matter.

Oct. 7, 2022: Kim Gunn, special representative for Korean Peninsula peace and security affairs, agrees to redouble joint efforts to block North Korea's nuclear and missile program financing through cryptocurrency theft with American and Japanese counterparts Sung Kim and Funakoshi Takehiro.

Oct. 7, 2022: United States <u>imposes</u> sanctions on two people and three entities for violating UN Security Council (UNSC) sanctions on North Korea for being involved in illegal ship-to-ship transfers of petroleum with North Korean vessels designed to evade UNSC sanctions.

Oct. 7, 2022: US Forces Korea <u>brings</u> in new pieces of equipment to its THAAD missile defense unit to complete the three-stage Joint Emergent Operational Need program to enhance the efficiency of its overall anti-missile capabilities.

Oct. 9, 2022: North Korea <u>fires</u> two short-range ballistic missiles into the East Sea, making this its seventh missile provocation in two weeks.

Oct. 10, 2022: North Korean leader Kim Jong Un supervises an exercise of tactical nuclear

operation units to check and assess the "war deterrent and nuclear counterattack capability" in response to recent joint US-South Korea military trainings. Kim states that North Korea has "no content for dialogue with the enemies and felt no necessity to do so."

Oct. 10, 2022: North Korean state media <u>reports</u> that North Korea's recent missile provocations were the simulated use of its tactical battlefield nuclear weapons to "hit and wipe out" potential South Korean and American targets.

Oct. 11, 2022: US State Department <u>rejects</u> the notion that the United States' "defensive actions" such as joint military and naval exercises with South Korea do not justify North Korea's "escalatory and unlawful behavior."

Oct. 11, 2022: South Korea's industry, finance, and foreign ministries <u>hold</u> a third round of their joint task force meeting with officials from the domestic car and battery industries to discuss concerns over the US Inflation Reduction Act.

Oct. 12, 2022: Kim Song, North Korean Ambassador to the United States, <u>urges</u> the US to refrain from providing a nuclear umbrella and to suspend joint exercises with South Korea.

Oct. 12, 2022: John Kirby, US National Security Council coordinator for strategic communications, <u>states</u> that the US remains open to dialogue with North Korea without any preconditions.

Oct. 13, 2022: North Korean leader Kim Jong Un <u>supervises</u> the test-firing of long-range strategic cruise missiles involving units operating "tactical nukes" to send a "clear warning to the enemies" and a demonstration of the country's deterrence capabilities.

Oct. 13, 2022: Representative Chung Jin-suk, party leader of the ruling South Korean People Power Party, <u>calls</u> for a stronger US nuclear umbrella.

Oct. 13, 2022: In its 2022 <u>National Security Strategy</u>, the United States <u>reaffirms</u> its commitment to the denuclearization of the Korean Peninsula through diplomacy and to strengthening US alliances to address "shared challenges" while outmaneuvering geopolitical competitors.

Oct. 13, 2022: Rather than the redeployment of tactical nuclear weapons, South Korean Vice Defense Minister Shin Beom-chul <u>states</u> that the most desirable way to deter North Korea is through the "redeployment of US strategic assets to the Korean Peninsula in a timely, coordinated matter."

Oct. 13, 2022: South Korean Ambassador to the United States Cho Tae-yong <u>states</u> that the two nations may need to "quietly review creative solutions" to the "real threat" posed by North Korea.

Oct. 14, 2022: North Korea <u>fires</u> a short-range ballistic missile into the East Sea and around 170 artillery <u>shots</u> into the maritime "buffer zones," making this its eight missile provocation in three weeks.

Oct. 14, 2022: A group of around 10 North Korean military aircraft <u>flies</u> close to the border with South Korea, prompting the South Korean Air Force to scramble its F-35A stealth fighters and other assets to the scene.

Oct. 14, 2022: North Korea <u>claims</u> that its latest ballistic missile launch was a countermeasure to the South Korean military's "provocative" and "reckless" moves in the frontline area.

Oct. 14, 2022: Chief South Korean, US, and Japanese nuclear envoys <u>express</u> "deep concerns" over North Korea's recent provocations and "strongly" denounce its actions.

Oct. 15, 2022: South Korean Democratic Party leader Lee Jae-myung <u>sends</u> a letter to Biden delivering concerns over the US Inflation Reduction Act.

Oct. 15, 2022: Vice Admiral Karl Thomas of the US Seventh Fleet states that the recent joint US-South Korea naval exercise may have "precipitated" North Korean provocations, especially "after many years of not Operating in the Sea of Japan and visiting South Korea."

Oct. 18, 2022: US Secretary of State Antony Blinken <u>states</u> that North Korea may be trying to draw US attention and argues that North Korean provocations may be a reaction to the growing cooperation between the US, South Korea, and Japan.

Oct. 18, 2022: US Ambassador to South Korea Philip Goldberg <u>stresses</u> the United States' "ironclad" commitment to extended deterrence for South Korea and denounces recent threats of tactical nuclear weapons. Goldberg also criticizes China for having "done little" to mitigate North Korean provocations.

Oct. 18, 2022: US Forces Korea <u>reveals</u> it conducted a "quick reaction force training" with South Korean special warfare troops as the allies strive to sharpen deterrence against evolving North Korean threats.

Oct. 19, 2022: North Korea fires around 100 artillery rounds into the Yellow Sea and another 150 rounds into the East Sea, falling into the eastern and western buffer zones north of the Northern Limit Line. North Korea calls this a "serious warning" over South Korea's ongoing military drills, calling on the South to immediately stop "reckless and inciting provocations."

Oct. 19, 2022: South Korean Trade Minister Ahn Duk-geun <u>meets</u> with British Ambassador to Seoul Colin Crooks, Swedish top envoy in Seoul Daniel Wolven, and Charge' d'affaires of the European Union Christophe Bess to discuss the US Inflation Reduction Act.

Oct. 19, 2022: South Korea and the United States stage combined river-crossing military drills to strengthen readiness to counter evolving North Korean threats.

Oct. 20, 2022: South Korea and the United States <u>agree</u> to continue working-level consultations to seek solutions regarding the US Inflation Reduction Act.

Oct. 20, 2022: South Korean Joint Chiefs of Staff Chairman General Kim Seung-kyum and US counterpart General Mark Milley <u>reaffirm</u> to denuclearizing the Korean Peninsula and developing the countries' joint defense posture at the annual Military Committee Meeting.

Oct. 21, 2022: At the Trilateral Chief of Defense Meeting, Joint Chiefs of Staff Chairman General Kim Seung-kyum, US General Mark Milley, and Japanese General Yamazaki Koji emphasize the importance of trilateral security cooperation against North Korea.

Oct. 21, 2022: Brig. Gen. Pat Ryder of the US Department of Defense <u>states</u> that the US is not considering deploying nuclear weapons to South Korea.

Oct. 21, 2022: US Forces Korea <u>discloses</u> footage on artillery live-fire training in response to North Korea's recent firing of artillery shells.

Oct. 24, 2022: As part of the annual ongoing Hoguk drills, the South Korean Navy <u>begins</u> a large-scale exercise in the Yellow Sea involving American troops.

Oct. 25, 2022: US Department of State Press Secretary Ned Price <u>announces</u> that the US assesses that North Korea is preparing for its seventh nuclear test.

Oct. 25, 2022: South Korean Vice Foreign Minister Cho Hyun-dong <u>states</u> that the "geopolitical situation in Northeast Asia is grim" due to North Korean provocations and the end of the Chinese Communist Party Congress.

Oct. 26, 2022: Brig. Gen. Pat Ryder of the US Pentagon <u>affirms</u> that the US has no plans to adjust its defense posture in the Indo-Pacific region, such as deploying tactical nuclear weapons to the region.

Oct. 26, 2022: US Treasury Secretary Janet Yellen <u>states</u> that the US Inflation Reduction Act will be implemented without exception. Yoon states his believe that Yellen's statement is "slightly different from the general view of the US government."

Oct. 26, 2022: A seventh nuclear test by North Korea would constitute a "grave escalatory action," states Vedant Patel, principal deputy spokesperson of the US State Department. Patel furthers that the US has a "number of tools" to hold North Korea accountable for future provocations and calls on China and Russia to hold North Korea accountable when necessary.

Oct. 28, 2022: North Korea <u>fires</u> two short-range ballistic missiles toward the East Sea.

Oct. 28, 2022: In its <u>National Defense Strategy</u>, the US Department of Defense <u>states</u> that any nuclear attack by North Korea against the US or its allies and partners is "unacceptable" and will result in the "end of that regime."

- **Oct. 28, 2022:** South Korea's Ambassador to the US Cho Tae-yong <u>states</u> that the two countries are working together to strengthen extended deterrence to "strongly and sternly" react against North Korean provocations.
- **Oct. 28, 2022:** South Korea <u>launches</u> an interagency task force to prepare for the envisioned Reciprocal Defense Procurement Agreement with the United States, an effort to strengthen cooperation in defense supply chains.
- **Oct. 29, 2022:** Sabrina Singh, deputy spokesperson for the US Department of State, <u>asserts</u> that the United States condemns North Korea's recent missile launches and continues to seek dialogue with North Korea.
- Oct. 31, 2022: Yoon <u>thanks Biden</u>, other foreign <u>leaders</u>, heads of foreign <u>embassies</u>, and <u>US Forces Korea</u> for their condolences over the Itaewon stampede.
- Oct. 31, 2022: South Korea and the United States conduct the five-day Vigilant Storm exercise involving stealth jets and more than 240 aircraft.
- **Oct. 31, 2022:** US Under Secretary for Arms Control and International Security Bonnie Jenkins <u>states</u> that the United States welcomes a conversation with North Korea about arms control.
- **Nov. 1, 2022:** In response to the US-South Korea Vigilant Storm drills, North Korea <u>states</u> that it will respond with "more powerful follow-up measures" if the US continues "military provocations."
- **Nov. 1, 2022:** Ned Price, press secretary of the US Department of State, <u>asserts</u> that the United States does not and will not recognize North Korea as a nuclear weapons state.
- **Nov. 1, 2022:** US Ambassador to South Korea Philip Goldberg <u>meets</u> with leaders of South Korea's ruling and main opposition parties to discuss improving bilateral cooperation, North Korean threats, and the US Inflation Reduction Act.
- **Nov. 1, 2022:** South Korea <u>continues</u> to engage in defense deals with European nations as they seek to become a bigger player in international weapons sales, bringing forth concerns from US defense industry insiders.

- **Nov. 2, 2022:** North Korea <u>launches</u> a barrage of missiles and artillery shells, with one short-range ballistic missile flying across its de facto maritime border with South Korea.
- Nov. 2, 2022: Pak Jong-chon, secretary of the Central Committee of North Korea's ruling Workers' Party, <u>states</u> that the US and South Korea will have to "face a terrible case and pay the most horrible price in history" if they attempt to use armed forces against North Korea.
- **Nov. 2, 2022:** Yoon <u>condemns</u> North Korea's recent missile launches, as one of the missiles crossed the Northern Limit Line. Yoon orders the military to maintain "full readiness."
- Nov. 2, 2022: South Korean Foreign Minister Park Jin and US Secretary of State Antony Blinken condemn North Korea's latest missile launches, calling them an "unprecedented, grave provocation."
- **Nov. 2, 2022:** South Korea will <u>submit</u> an official written response providing feedback to the United States regarding the US Inflation Reduction Act.
- **Nov. 3, 2022:** North Korea <u>fires</u> an intercontinental ballistic missile and two short-range missiles toward the East Sea.
- Nov. 3, 2022: US Secretary of Defense Lloyd Austin and South Korean Minister of National Defense Lee Jong-sup <u>meet</u> during the 54th Security Consultative Meeting to discuss matters such as the allies' combined defense posture, strengthening cooperation in various areas such as cyber, and responding to North Korean provocations.
- **Nov. 4, 2022:** South Korea and the United States <u>agree</u> to extend the Vigilant Storm drill by another day in response to recent North Korea's recent firing of an intercontinental ballistic missile.
- **Nov. 3, 2022:** North Korea <u>denounces</u> South Korea and the United States for extending their joint Vigilant Storm exercise
- **Nov. 3, 2022:** North Korea's recent intercontinental ballistic missile launch is an apparent <u>failure</u>, according to a South Korean government source.

Nov. 3, 2022: South Korean First Vice Foreign Minister Cho Hyun-dong and US Deputy Secretary of State Wendy Sherman <u>condemn</u> North Korea's latest missile launches during a phone call consultation and agree to maintain a strong combined defense posture.

Nov. 3, 2022: US Secretary of State Antony Blinken <u>condemns</u> North Korea's missile provocations, especially it's "reckless decision" to fire a missile below the Northern Limit Line.

Nov. 3, 2022: South Korean Defense Minister Lee Jong-sup <u>visits</u> the US National Geospatial-Intelligence Agency and meets with Director Frank Whitworth. Lee and Whitworth share intelligence regarding North Korea's recent missile and artillery firings and agree to stronger cooperation.

Nov. 3, 2022: According to John Kirby, spokesperson for the US White House National Security Council, North Korea <u>supplies</u> a large number of artillery shells to Russia for use in the ongoing aggression in Ukraine.

Nov. 4, 2022: North Korea <u>fires</u> three short-range ballistic missiles toward the East Sea.

Nov. 4, 2022: South Korea <u>scrambles</u> around 80 warplanes after detecting more than 180 North Korean military aircraft activities.

Nov. 4, 2022: South Korean Defense Minister Lee Jong-sup and US Secretary of Defense Lloyd Austin <u>meet</u> for the 54th Security Consultative <u>Meeting</u>. Both sides <u>agree</u> on four categories of extended deterrence cooperation against North Korean provocations.

Nov. 5, 2022: North Korea <u>fires</u> four short-range ballistic missiles toward the Yellow Sea on the last day of the Vigilant Storm drill of South Korea and the United States.

Nov. 5, 2022: United States <u>calls</u> on the United Nations Security Council to hold North Korea accountable for its recent ballistic missile launches, and most recently, its launch of an intercontinental ballistic missile.

Nov. 5, 2022: While wrapping up the South Korea-United States Vigilant Storm exercise, two US B-1B aircraft join the drills, making this the first time that long-range supersonic bombers have been deployed to South Korea since 2017.

Nov. 7, 2022: South Korean First Vice Foreign Minister Cho Hyun-dong, US Deputy Secretary of State Wendy Sherman, and Japanese Vice-Minister for Foreign Affairs Mori Takeo strongly condemn North Korea's latest missile launches.

Nov. 8, 2022: North Korea <u>launches</u> one short-range ballistic missile toward the East Sea. The missile is assumed to be one of North Korea's new SRBMs.

Nov. 8, 2022: US State Department Press Secretary Ned Price <u>calls</u> on China and Russia to hold North Korea accountable for its missile launches in violation of United Nations Security Council (UNSC) sanctions, after China and Russia <u>vetoed</u> additional sanctions on North Korea during the ninth UNSC meeting this year on North Korea's missile launches.

Nov. 8, 2022: Under the Korea-US Supply Chain and Commercial Dialogue, South Korea and the United States <u>discuss</u> the impacts of recent US measures to restrict exports of advanced semiconductor equipment to China.

Nov. 8, 2022: South Korea's climate ambassador Na Kyung-won and US climate envoy John Kerry sign an agreement to establish a green cargo shipping route linking South Korea's Busan port with the US Tacoma port near Seattle to better achieve maritime carbon neutrality.

Nov. 9, 2022: US Department of Defense spokesperson Brig. Gen. Pat Ryder <u>states</u> that the United States is closely watching the suspected delivery of North Korean artillery shells to Russia.

Nov. 9, 2022: During a visit to the US 7th Fleet Headquarters, South Korean Chief of Naval Operations Adm. Lee Jong-ho meets with US Vice Adm. Karl Thomas to discuss strengthening the allies' combined defense posture against North Korea.

Nov. 9, 2022: Kim Gunn <u>condemns</u> North Korea's missile provocations along with his American counterpart Sung Kim and Japanese counterpart Funakoshi Takehiro.

Nov. 11, 2022: Yoon <u>announces</u> South Korea's new Indo-Pacific Strategy, promoting peace and stability in the region, along with the Korea-ASEAN Solidarity Initiative. This marks South

Korea's first time presenting a diplomatic strategy specific to the Indo-Pacific.

Nov. 11, 2022: South Korea's Defense Ministry <u>reaffirms</u> its commitment to not provide Ukraine with lethal military support.

Nov. 11, 2022: US State Department Press Secretary Ned Price <u>calls</u> on North Korea to "put the interest of its people first" and states that the United States is looking for ways to support the "humanitarian needs" of the people of North Korea.

Nov. 11, 2022: Kim Gunn <u>meets</u> with members of the Korean Peninsula Club, a consultative channel of the ministry and 20 foreign ambassadors based in Seoul. Gunn encourages member countries to step up against North Korea's illegal cyber activities.

Nov. 13, 2022: Yoon and Biden <u>state</u> that the two countries will respond with "overwhelming force using all available means" if North Korea uses nuclear weapons in any form.

Nov. 13, 2022: During a trilateral <u>summit</u> at the ASEAN summit Biden, Yoon, and J Kishida <u>express</u> commitment to bolster deterrence against North Korea.

Nov. 15, 2022: South Korea and the United States <u>celebrate</u> the completion of the relocation of their Combined Forces Command headquarters from Seoul to Pyeongtaek.

Nov. 15, 2022: Biden <u>calls</u> on Chinese leader Xi Jinping to discourage North Korea from taking further escalatory steps, as the United States will take "more defensive" actions that will be "up in the face of China" should North Korea conduct a nuclear test.

Nov. 15, 2022: South Korea's Deputy Trade Minister Jeong Dae-jin <u>meets</u> with Swedish State Secretary of Foreign Ministry Hakan Jevrell discuss ways the two countries can work together to resolve concerns over the US Inflation Reduction Act.

Nov. 16, 2022: Lee Tae-woo, the South Korean Director-General for North Korean nuclear affairs, <u>meets</u> with his US counterpart Jung Park to share updates on North Korean cyberthreats and extortion of cryptocurrencies.

Nov. 17, 2022: North Korea <u>fires</u> one short-range ballistic missile into the East Sea, making this its second missile provocation in a little over a week, which the United States <u>condemns</u>. North Korea has launched 50 ballistic missiles this year, the largest number of ballistic missiles launched in a single year.

Nov. 17, 2022: US Deputy Assistant Secretary of Defense for Nuclear and Countering Weapons of Mass Destruction Policy Richard Johnson meets with Director-General of the South Korean Defense Policy Bureau Ha Dae-bong to explain the recently released US Nuclear Posture Review and Missile Defense Review.

Nov. 17, 2022: Third Committee of the United Nations General Assembly <u>passes</u> a resolution condemning North Korea for systematic human rights violations and calling for efforts to improve human rights conditions, marking this the 18th consecutive year the committee passed such a resolution.

Nov. 17, 2022: Vedant Patel, principal deputy spokesperson for the US State Department, <u>states</u> that China has a "responsibility" to encourage North Korea to act responsibly and not engage in nuclear or ballistic missile tests.

Nov. 17, 2022: South Korea and the United States co-host the Symposium on Countering DPRK Cyber-Exploitation of Cryptocurrency Exchanges. Officials from more than a dozen countries discuss ways to counter cryptocurrency theft and other illegal cyber activities of North Korea.

Nov. 18, 2022: North Korea fires an intercontinental ballistic missile toward the East Sea. The launch involves the Hwason-17 ICBM, notorious for its sheer size and range capabilities. Yoon orders a strengthening of the US-South Korea combined defense posture and executability of extended deterrence against North Korea. South Korean Prime Minister Han Duck-soo, US Vice President Kamala Harris, and prime ministers of Japan, Australia, New Zealand, and Canada, jointly condemn the launch.

Nov. 18, 2022: Anne Neuberger, US Deputy National Security Advisor for Cyber and Emerging Technologies, <u>states</u> that North Korea is believed to fund about 30% of "its missile and

other malicious programs" through cyber attacks.

Nov. 19, 2022: North Korean leader Kim Jong Un states that the recent firing of an intercontinental ballistic missile is representative of North Korea's "strategic forces and its powerful combat performance as the strongest strategic weapon in the world."

Nov. 19, 2022: A US B-1B Lancer strategic bomber joins a US-South Korea joint air drill, one day following North Korea's firing of an intercontinental ballistic missile.

Nov. 21, 2022: On the sidelines of the Asia Pacific Economic Cooperation summit, South Korean Trade Minister Ahn Duk-geun and US Trade Representative Katherine Tai agree to continue consultations regarding the US Inflation Reduction Act.

Nov. 22, 2022: United States <u>calls</u> on the United Nations Security Council to hold North Korea accountable for its recent missile provocations and attributes inaction to China. and Russia, two veto-wielding members of the council.

Nov. 30, 2022: General James Dickinson, commander of the US Space Command, <u>states</u> that the Command is working to integrate US assets into an architecture that will provide both the US and its allies and partners "as much advanced warning as possible" regarding missile activity out of North Korea.

Dec. 2, 2022: Eliot Kang, Assistant Secretary of State for international security and nonproliferation, <u>states</u> that Russia and China have gone to "great lengths" to shield North Korea from "accountability for increasingly provocative behavior."

Dec. 2, 2022: South Korea's Trade Minister Ahn Duk-geon and the European Union's Vice-President Commissioner Valdis Dombrovskis, agree to work more closely for joint responses to the US Inflation Reduction Act.

Dec. 2, 2022: South Korea <u>sends</u> its second official written opinion to the United States regarding the US Inflation Reduction Act.

Dec. 3, 2022: United States <u>designates</u> North Korea and 11 other countries as Countries of Particular Concern under the International Religious Freedom Act of 1998.

Dec. 3, 2022: Ned Price, US State Department Press Secretary, <u>announces</u> that the United States is working with allies to prepare for any contingencies from North Korea, especially a seventh nuclear test.

Dec. 5, 2022: North Korea <u>fires</u> 130 artillery shells into inter-Korean maritime buffer zones.

Dec. 5, 2022: Major Gen. Kim Su-kwang, Director of South Korea's Joint Chiefs of Staff, <u>discusses</u> strengthening US extended deterrence against North Korean provocations with Rear Admiral Anthony Carullo, Director of Plans and Policy at the US Strategic Command.

Dec. 7, 2022: US State Department Press Secretary Ned Price <u>states</u> that China and Russia must "fulfill its obligations" and implement U.N. Security Council resolutions on North Korea to push back on North Korean provocations.

Dec. 7, 2022: United States Senate and House of Representatives <u>reach</u> an agreement on the National Defense Authorization Act which requires the US to maintain a minimum of 28,5000 US service members in South Korea and reaffirm its commitment to providing extended deterrence to South Korea.

Dec. 8, 2022: South Korean Foreign Minister Park Jin <u>meets</u> with a delegation from the National Committee on American Foreign Policy (NCAFP) and urges NCAFP's support in strengthening bilateral ties.

Dec. 9, 2022: US Special Representative for North Korea Sung Kim <u>talks</u> with China's Special Representative on Korean Peninsula Affairs Liu Xiaoming to discuss North Korea's recent missile provocations.

Dec. 9, 2022: During a meeting between several US lawmakers and a South Korean delegation, US lawmakers <u>state</u> that revisions to the US Inflation Reduction Act are unlikely during a lame-duck session of Congress.

Dec. 10, 2022: United States <u>imposes</u> sanctions on over 65 individuals and entities in 17 countries, including North Korea's border guard bureau, for serious human rights violations and other crimes related to North Korea.

Dec. 12, 2022: South Korean National Assembly Speaker Kim Jin-pyo <u>expresses</u> concerns over the US Inflation Reduction Act and calls for an "exceptional clause" for countries that have entered a free trade agreement with the United States prior the IRA.

Dec. 13, 2022: At the seventh Senior Economic Dialogue, South Korea's 2nd Vice Foreign Minister Lee Do-hoon <u>meets</u> with US Under Secretary of State for Economic Growth, Energy, and Environment Jose W. Fernandez to discuss concerns about the US Inflation Reduction Act. Both sides reaffirm commitment to continuing discussions on the issue.

Dec. 14, 2022: United States military <u>launches</u> US Space Forces Korea, a unit focused on strengthening bilateral space security coordination in the Indo-Pacific region.

Dec. 14, 2022: Air Force Major General Michael E. Martin, Commander of the Special Operations Command-Korea (SOCKOR), <u>states</u> that the SOCKOR unit is committed to military readiness by conducting peak-level "realistic" training.

Dec. 14, 2022: US State Department spokesperson Ned Price <u>stresses</u> the "complete denuclearization of the Korean Peninsula" as an overarching US objective and to holding North Korea accountable for its recent missile provocations.

Dec. 16, 2022: South Korea and the United States <u>hold</u> their sixth Cyber Policy Consultations to discuss ways to enhance bilateral cooperation on cybersecurity and countering cyber threats posed by North Korea.

Dec. 16, 2022: United Nations General Assembly passes a resolution calling for international efforts to improve human rights conditions in North Korea, making this the 18th consecutive year the General Assembly has adopted such a resolution.

Dec. 16, 2022: North Korea successfully conducts a static firing test of a high-thrust solid-fuel motor, which the Korean Central News Agency states is an "important test" that provides "sure sci-tech guarantee" for the development of a new strategic weapons system. John Kirby, US National Security Council coordinator for strategic communications, states that North

Korea is pursuing military capabilities that pose a threat to the region.

Dec. 19, 2022: Leader of South Korea's ruling People Power Party Chung Jin-suk <u>condemns</u> North Korea's latest missile launches, stating that such provocations are aimed at breaking up the South Korea-United States alliance.

Dec. 19, 2022: North Korea conducts an "important final-stage" test that evaluates the capabilities of putting a military reconnaissance satellite into orbit. A spokesperson at the National Aerospace Development Administration states that North Korea will finish preparations for its first military reconnaissance satellite by April 2023.

Dec. 20, 2022: Kim Yo Jong, Vice Department Director of the Central Committee of the Workers' Party of Korea and sister of North Korean leader Kim Jong Un, <u>criticizes</u> those who question the regime's satellite development capabilities and reconnaissance satellite project.

Dec. 20, 2022: South Korea, the United States, and 13 other member nations <u>participate</u> in the US-led Indo-Pacific Economic Framework ministerial meeting.

Dec. 20, 2022: South Korea and the United States conduct combined air drills to strengthen the credibility of America's "extended deterrence."

Dec. 21, 2022: North Korea reportedly <u>conducts</u> the first static ground test of a large solid-propellant rocket motor, the first indication that the regime is developing a propulsion system usable in intercontinental ballistic missiles (ICBMs) or ICBM-range submarine-launched ballistic missiles.

Dec. 21, 2022: South Korea and the United States plan to conduct around 20 combined "realistic" training programs in the first half of next year to address growing North Korean security threats. The allies also consider staging their first large-scale combined live-fire demonstration to mark the 70th anniversary of the establishment of their alliance and to demonstrate the allies' "overwhelming deterrence capabilities against North Korea."

Dec. 23, 2022: North Korea <u>fires</u> two short-range ballistic missiles into the East Sea, following the

combined South Korea-United States air drills the day before.

Dec. 26, 2022: Five North Korea drones <u>cross</u> the inter-Korean border, with one flying over northern Seoul. South Korea fails to shoot down the five drones but sends its own drones to the border, with some crossing the border to carry out surveillance and other operations.

Dec. 28, 2022: United States White House <u>issues</u> a statement welcoming South Korea's <u>adoption</u> of the US Indo-Pacific strategy.

Dec. 29, 2022: South Korea's Industry Minister Lee Chang-yang <u>states</u> that South Korea will maximize the benefits from the US Inflation Reduction Act in the battery, solar, and wind power generation fields to minimize fallout in the car industry.

Dec. 30, 2022: Kim Gunn <u>discusses</u> the need for a stern response to North Korean provocations with US counterpart Sung Kim. Kim Gunn also urges China to take a more active role in holding North Korea responsible for its provocations during a consultation with Liu Xiaoming, China's top nuclear envoy.

Dec. 31, 2022: North Korea <u>fires</u> three short-range ballistic missiles into the East Sea, a day after South Korea <u>conducted</u> a test flight of a homegrown solid-propellant space rocket. Kim Gunn <u>denounces</u> North Korea's firings, along with his US and Japanese counterparts Sung Kim and Takehiro Funakoshi.

Chronology prepared by Pacific Forum research intern Kaylin Kim



COMPARATIVE

CONNECTIONS

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

US-INDIA RELATIONS

FRIENDS WITH BENEFITS

AKHIL RAMESH, PACIFIC FORUM

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2022 was a challenging year, not just for US-India relations, but for every India analyst trying to explain the Indian government's position on the Russia-Ukraine conflict. Explaining to a non-IR audience India's history of nonalignment during the Cold-War era and its current policy of multi-alignment was not a gratifying endeavor. While the last four months of 2022 did not have the friction and stress-tests as the first four of 2022 or the slow and steady expansion of relations that followed between May and September, they certainly had multiple surprising events that could make them the halcyon months of 2022. In mid-November, the US and Indian armies engaged in a military exercise at Auli, not far from the Line of Actual Control (LAC) separating Indian-held and Chinese-held territory. While the US and Indian armies have engaged in exercises prior to 2022, this proximity to the Indo-China border is a first. A month later, in another first, US Treasury Secretary Janet Yellen traveled to India to meet Indian Finance Minister Nirmala Sitharaman to expand the US-India "Indo-Pacific partnership." Yellen characterized India as a "friendly shore" for supply chain diversification and as the indispensable partner for the US.

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A country that earned notoriety for its bureaucracy and trade protectionism over the years was suddenly characterized as "friendly"; one that was highly skeptical of foreign militaries on its shores was actively engaging the US military at one of its most sensitive and tempestuous borders.

The primary catalyst for this sea change has been shared concerns over a rising, authoritarian, and hegemonic China. The events of the last four months, while making India's multi-alignment labored, also made it abundantly clear that the US-India relations will continue to expand to maintain a free and open Indo-Pacific.

A Made in China Bonhomie

While 2022 started with Russia's invasion of Ukraine on Feb. 24 and the subsequent flaring of Cold War-era differences between the US and India, as months passed both US and India tempered their expectations of radical change regarding their legacy relationships with Russia and Pakistan—particularly toward the end of the year.

This was, however, not a result of India recognizing US support of Pakistan for counter-terrorism or the US getting on board with India's relationship with its adversarial nations. Both nations re-centered the discussion to address a long-term pressing challenge, namely China.

In the last four months of 2022, India had another round of state-level elections in Western and Northern states of Gujarat and Himachal Pradesh. In the prime minister's home state of Gujarat, his party made history by winning the state for the seventh consecutive time and with more assembly seats than in previous victories. However, in an interesting turn of events, the BJP lost to the INC in Himachal Pradesh.

The mid-term election results in the US were mixed, with the Democrats retaining the Senate and losing the House to the Republicans by a thin majority. As I've <u>written</u> with Rob York for *American Conservative*, this mid-term result visa-vis China may not dampen but could actually strengthen bipartisan resolve in addressing the threat, provided partisan bickering does not take precedence. As a consequence of this resolve, the US-India relationship strengthens further.

India's domestic politics has historically been unruffled by Chinese aggression at the border; however, this time, the Modi administration was pressed for answers by the opposition both at the Parliament and in the opposition Indian National Congress (INC) nationwide campaign called the Bharat Jodo Yatra ("Unite India March"). Newly elected opposition leader Mallikarjun Kharge even derided the Bharatiya Janata Party (BJPthe ruling party) as "talking like a lion outside the country, but acting like a mouse within." These strong comments came against the backdrop of mixed results for state-level elections and China's encroachments at the border in early December. As social media went abuzz with videos of Chinese and Indian troops clashing with clubs and sticks, New Delhi was lost for answers. Over the last few years, China's aggression and its unilateral change of the LAC has forced India to build up forces at the border and increase infrastructure spending. Moreover, China's unceasing violations of the LAC have sabotaged any talks for peace, with the Indian External Affairs Minister S. Jaishankar dismissing any such suggestions from the media.



Figure 1 Mallikarjun Kharge, the newly appointed president of the Indian National Congress party, after addressing a press conference in New Delhi on Oct. 19, 2022. Photo: Sajjad Hussain/AFP via Getty Images

The Indian government responded to Chinese aggression with tools of economic statecraft. It banned Chinese apps such as TikTok and businesses from operating in the country. The government instituted industrial policies targeting import substitution, particularly for industries reliant on Chinese inputs. India laid the foundation for decoupling from China. Interestingly, the Biden administration has followed suit by sanctioning CCP officials involved in concentration camps in Xinjiang and by unleashing economic sanctions and export controls to kneecap China's semiconductor

manufacturing ambitions. Through these measures, the divergences in addressing the China challenge narrowed in the last four months of 2022. The US-India defense partnership witnessed increased interactions between high-level military officials and exercises across all major branches of the military—army, navy, and air force.

Indian Chief of Air Staff Marshal Vivek Ram Chaudhari visited the US for the Air Chief's Conference to discuss bilateral defense partnerships, including cooperation between air forces; and in the maritime sphere, Assistant Secretary of Defense Ely Ratner co-chaired a US-India 2+2 Intersessional & Maritime Security Dialogue; following that, the US and Indian Coast Guards conducted a bilateral joint exercise in Chennai to get acquainted with each other's capabilities and strengths. And in mid-November, the joint navy exercise of the Quad nations, Malabar, started in Japan, hosting US, Indian, and Australian navies. The at-sea exercise involved naval ships, aircraft, and personnel, in the Philippine Sea. The armies took it to a whole different level, and may have poked the proverbial dragon.



Figure 2 Indian Chief of Air Staff Marshal Vivek Ram Chaudhari visited the US for Air Chiefs' Conference & bilateral engagements.

Photo: Twitter/@SandhuTaranjitS

Indian and US armies conducted a five-day joint exercise <u>called</u> *Yudh Abhyas* 100 km (about 60 miles) from the Chinese border. The exercise aimed to enhance interoperability, share expertise in peacekeeping and disaster relief operations, and reinforce a joint commitment to the Indo-Pacific region. Furthermore, the US *National Security Strategy* released in October clearly outlines the preeminence of the Indo-

Pacific theater for the US over the Middle East, Europe, and other known conflict zones.

While the "China" factor in these joint exercises remains largely implicit, Beijing could not have been oblivious. However, there was a concerted effort on the part of the Chinese administration to mend ties. At the G20 summit in Bali, US and Chinese officials expressed cautious optimism toward fixing ties, with both Biden and Xi Jinping pledging to repair the bilateral relationship at the summit.

The same cannot be said for India. Since Doklam, there has been very little room for peace talks with incessant clashes between the Indian and Chinese troops at the Galwan valley and the most recent at the Tawang sector of Arunachal Pradesh taking all oxygen out of peace discussions. According to EAM Jaishankar, "India's relations with China cannot be normal as long as Beijing tries to unilaterally change LAC and continues to build up forces along the border."

China Warns

Increased security, defense, and economic ties between the US and India, left a bad taste with the CCP officials. Around the end of November, the Pentagon reported that Beijing warned the US not to interfere in India-China relations.

While China has tried to downplay the border skirmishes with India, both at home and abroad, India has elevated China to its number one security threat, surpassing its longtime nemesis, Pakistan. This has provided impetus for increasing cooperation with like-minded countries such as the US. The subsequent expansion in defense and security cooperation has irked China giving it the impression that the US has some role in preventing India from returning to the dialogue table.

If the first half of 2022 is any indication, New Delhi is signaling that it will not be influenced or bullied by any global power. The US and several other Western nations had several conversations through diplomatic channels and the Western media conducted a moral trial for India's abstentions at the UN and its purchase of Russian oil. Yet, India's position on the Russia-Ukraine conflict remained unchanged, and interestingly, India's purchases of Russia crude grew multifold from February to September with Russia becoming India's largest crude supplier.

The calculus behind such decisions has been explained through media from The Washington Post, to the Russian journal Kommersant, where Modi has regularly outlined his administration's vision. He has continued to do so as 2023 chair of the G20, as well as state views on other topics in foreign affairs. Much like Franklin Roosevelt's "fireside chats," the Indian prime minister has used public media (radio and articles) to directly communicate with the populace, including through his radio program Mann Ki Baat ("thoughts in mind"). Similarly, since 2014, he has used op-eds in global media to make pitches to an international audience akin to other global leaders. Notably, in recent commentary he has clarified his country's position on Russia-Ukraine, what India perceives as its primary challenge, and how it views ideological groupings. If Beijing (or any other power) wants an accurate read on the Indian position, such information is out in the open.

Beijing's warning to the US can only be interpreted as the Quad amounting to more than the "sea foam" Foreign Minister Wang Yi once described it as. The Quad has died many deaths in popular media, with critics predicting its end with every change in government among its four member nations. However, all four have maintained policy consistency and only expanded cooperation, covering sectors from vaccines to supply chains, and critical technology.

Beijing blamed India for violating the 1993–1996 bilateral border agreements by holding joint military exercises with the US in Auli. The 1993 agreement was the first bilateral agreement between China and India to contain the phrase "Line of Actual Control." It included several agreed-upon rules such as "neither side shall open fire, cause bio-degradation, use hazardous chemicals, conduct blast operations or hunt with guns or explosives within two kilometers from the line of actual control." New Delhi, however, considers these agreements to have already been breached by the PLA's moves into Galwan in May 2020 in a unilateral bid to impose the already rejected 1959 line in East Ladakh.

On a bilateral level, both the US and India have used their competition with China as a catalyst for targeted cooperation. Broadly speaking, India was once viewed in a poor light for its red tape and bureaucracy practiced by the "License Raj" and other rent-seeking unethical and corrupt practices. The recurring criticism of the Indian

government was its inability to enact structural reforms and enable a laissez-faire approach to investments from foreign investors and businesses.

Fast forward to the last quarter of 2022, where even with the remnant of the license raj still in force, US competition with China has made it abundantly clear that national security takes precedence over economic productivity—in some sectors, if not all—to render difficult markets such as India an alternative to China.

Once a License Raj, now a Friendly Shore

Despite the Quad's several economic initiatives, none explicitly positioned India as a destination for supply chain diversification until Treasury Secretary Janet Yellen's <u>characterization</u> of the country as a friendly shore.



Figure 3 US Secretary of the Treasury Janet Yellen meets with Indian Minister of Finance Nirmala Sitharaman in New Delhi, Nov. 11, 2022. Photo: Twitter/@SecYellen

US-India trade, once limited to a few sectors, has expanded greatly. A testament to this development was the number of meetings among senior politicians and officials. Between September and December, there were more than 10 high-level meetings by Indian ministers with US senators, the commerce secretary, and others to discuss investment, trade, and related topics.

In her maiden trip to New Delhi, Yellen met Indian Minister of Finance and Corporate Affairs Nirmala Sitharaman to discuss shared economic interests. She also met with executives of major Indian companies and US companies operating in India. Yellen reaffirmed that increased economic integration with trusted partners mitigates geopolitical risk and strengthens supply chains. During her trip, Yellen also visited

Microsoft India and spoke on deepening economic ties through friend-shoring. This complemented Indian Minister of Commerce and Industry Piyush Goyal's <u>participation</u> in the September ministerial meeting of the Indo-Pacific Economic Framework (IPEF) hosted by the US in Los Angeles. While India did not participate in the trade pillar of the four-pillar initiative, it did join in the other three.

Following the IPEF meetings, Minister Jaishankar met Commerce Secretary Gina Raimondo to discuss resilient supply chains, the Indo-Pacific Economic Framework, hightechnology cooperation, and semiconductors. As the year came to an end, Ambassador to the US Taranjit Singh Sandhu and India's G20 Sherpa Amitabh Kant met Raimondo to discuss bilateral economic and commercial priorities and India's G20 presidency. Finally, in late December, Ambassador Sandhu met Sen. Tom Cotton (R-Arkansas) of the armed services and intelligence committees to discuss shared security challenges and increasing cooperation in the Indo-Pacific in new and emerging technology, cybersecurity, energy, and skill development. On the topic of skill development and people-to-people ties, Sandhu along with the ambassadors of Australia and Japan and other senior officials from the US administration attended the first Quad Fellowship event, welcoming STEM graduate students from Quad countries.

With STEM departments at US universities establishing partnerships with engineering schools in India and US technology manufacturing giants such as Apple and First Solar setting up manufacturing in India, India gains credibility as a destination for diversifying supply chains out of China and into India and as a source of human capital.

For India, the US offers capital and advanced technologies both in the military and the commercial sphere. For the US, India's strategic autonomy forbids any type of military aid dependency as it has become accustomed to in Europe and East Asia. From a commercial standpoint, the large market size coupled with the demographic dividend makes it an ideal candidate for friend-shoring, not excluding other macroeconomic fundamentals. The two nations will collaborate in sectors that complement their economies and assist in their competition with China. For example, the US ratified the International Solar Alliance Agreement, joining the club of nations working

toward increasing solar energy adoption throughout the world. This comes as both US and India try to reduce their dependence on China for solar panels.

Yet even as India capitalizes on the economic and technological opportunities advanced economies such as the US present, it continues to be distracted by the needs of its poorest to totally renounce its partnerships with its economic peers.

Conclusion: The Time has Come—for What?

In 2022, India chaired the UNSC and utilized the opportunity to position itself as a responsible actor on the world stage and re-enforced the need for the world to speak in one voice on terrorism and other security challenges. In 2023, India will be chairing the G20, the Shanghai Cooperation Organization (SCO), the Wassenaar Arrangement, and hosting the IPEF meetings.

In November 2022, Indonesian President Joko Widodo <u>handed</u> the gavel to Modi in a symbolic gesture at the Bali G20 meeting. In late November and early December, the Indian government made clearer its vision for the G20. The overarching message is that India will work to bring nations together to address shared concerns; it has championed issues affecting the Global South the most, such as inflationary price shocks, food security, and energy security—both exacerbated by climate change and the Russia-Ukraine conflict. Writing for Kommersant, Modi opined that "the priorities of our G20 presidency will be shaped in consultation not only with our G20 partners, but also with our 'fellow travelers' from the Global South, whose voices usually go unheard."



Figure 4 President Biden speaks with Prime Minister Modi at the G20 Summit opening session in Nusa Dua,

Bali, Indonesia. Photo: Prasetyo Utomo/G20 Media Center/Handout via Reuters

By evoking slogans such as "One Earth, One Family, One Future," and characterizing the "confrontation and competition between ideas, ideologies and personalities as zero-sum" the Indian prime minister has taken a jab at the US, in particular, the Biden administration's division of the world into ideological groupings and fended off the West's goal of bringing India into its ideological camp.

It is becoming clear that India is seeking to champion causes of the Global South while pursuing the fourth industrial revolution through partnerships with advanced Western economies.

Thus, it finds itself in the same camp as Russia, China, and other "developing" nations in groupings such as the BRICS and SCO while simultaneously participating in Quad and the IPEF. However, in a sign of increasing understanding of India's position vis-à-vis Russia, the White House praised New Delhi for getting Ukraine mentioned in the joint G20 Statement. After all, Washington may find some purpose in India's relationship with Russia.

In 2022, the agenda of the BRICS markedly expanded addressing <u>food and energy security</u> and even included overzealous proposals such as suggesting alternative currencies to the US dollar to a trade bloc for the BRICS countries.

Several countries from the Global South have applied to become part of the group, making it inexpedient for India to stay out. As New Delhi straddles these poles, its partnership may expand but it will be limited by India's dual identity of developing country and democracy.

Expanded cooperation, however, could hit roadblocks in 2023 due to India's strategic autonomy. As mentioned in earlier CC chapters, India is pursued by various countries. As a result, India's choices will be shaped by its nonalignment policy legacy or what New Delhi likes to a call multi-alignment policy. In this environment, the US-India partnership will find itself limited by India's realpolitik. The partnership will expand only as long as New finds economic benefit. While Delhi technological and software trade underpin the US-India trade partnership, energy, manufacturing, and defense will have to be part of the mix to expand the economic partnership.

With the IPEF meetings scheduled for February, India's role in the 12-country initiative will become clearer and as a result, so will its place in the Indo-Pacific trade architecture. And while India's chairmanship of the Wassenaar Arrangement will not be as significant as its leadership of the G20, given the recent spurt in investments in the defense and space sectors, India could play an important role in democratizing access to critical dual-use technologies.

Nikkei Asia's Editor-in-Chief Shigesaburo Okumura in his New Year letter to readers, <u>said</u>, "In 2023 India will mark its rise by showing leadership." It has also become evident that history is not linear. The US, the country that sided with China and Pakistan <u>against India</u> in 1971, now engages in military exercises with India; and India, once sanctioned by most Western nations for nuclear tests in 1998, was now chairing the Wassenaar Arrangement.

The US-India partnership will continue to expand in complementary spheres and become aware of its limitations. Back in 2017 Council on Foreign Relations South Asia fellow Alyssa Ayres titled her book on India's role in the world, *Our Time has Come*. That is an appropriate characterization of the current US-India partnership. Questions of "For what?" or "For an alliance?" remain, however.

Jaishankar, <u>speaking</u> to the Austrian television network ORF a day after New Year's, addressed questions surrounding India's alliances. When asked if he considered India to be an ally of Russia, he responded, "we are an independent country, we do not define/perceive ourselves in alliance terms; that is very much a Western terminology, it is not a term we use." Washington should take a hint and in 2023, work toward making the most out of the "friends with benefits" global strategic partnership the two have created.

CHRONOLOGY OF US-INDIA RELATIONS

SEPTEMBER — DECEMBER 2022

- **Sept. 2, 2022**: US <u>congratulates</u> India for commissioning its first indigenously build aircraft carrier, *INS Vikrant*, reaffirming continued collaboration for a free and open Indo-Pacific.
- **Sept. 5, 2022**: Assistant Secretary of the State Department's Bureau of South and Central Asian Affairs Donald Lu <u>visits</u> India to meet senior officials, business leaders, and women entrepreneurs.
- **Sept. 5, 2022:** US Assistant Secretary of Defense for Indo-Pacific Security Affairs Ely Ratner <u>visits</u> India and Vietnam to deepen collaboration and advance a shared vision for a free and open Indo-Pacific.
- **Sept. 6, 2022**: Assistant Secretary Lu <u>meets</u> Senior Quad Officials to discuss advancing cooperation to realize a shared vision of a free and open Indo-Pacific that is inclusive and resilient.
- **Sept. 7, 2022:** Assistant Secretary Lu <u>meets</u> Indian counterparts for the 2+2 Intersessional to discuss advancing cooperation on diplomatic and security priorities. They review preparations for the next bilateral 2+2 Ministerial Dialogue. Lu also <u>meets</u> the US-India Business Council to discuss the contribution of US trade and investment to India's economy and opportunities for growth and expansion in bilateral business.
- **Sept. 8, 2022**: US Deputy Chief of Mission Patricia A. Lacina <u>launches</u> Trees Outside Forests in India, to address the climate crisis through carbon sequestration and climate-resilient agriculture.
- **Sept. 8, 2022:** Assistant Secretary Lu and Assistant Secretary Ratner <u>meet</u> Foreign Secretary of the Indian Ministry of External Affairs Vinay Kwatra to discuss deepening and strengthening the bilateral partnership at the 75th anniversary of diplomatic relations. Lu also <u>meets</u> Additional Secretary of the Indian Ministry of External Affairs Vani Rao to discuss the bilateral strategic relationship and opportunities to strengthen the partnership.

- **Sept. 8, 2022:** Assistant Secretary Ratner <u>cochairs</u> a US-India 2+2 Intersessional & Maritime Security Dialogue.
- **Sept. 8, 2022:** Indian Minister of Commerce and Industry Piyush Goyal <u>meets</u> US Trade Representative Ambassador Tai in Los Angeles and recommits to a free, open and inclusive Indo-Pacific ahead of the ministerial meeting of the Indo-Pacific Economic Framework for Prosperity (IPEF).
- **Sept. 9, 2022:** Indian Minister of Commerce and Industry Piyush Goyal <u>participates</u> in the US-led IPEF ministerial meeting. He also <u>meets</u> US Commerce Secretary Gina Raimondo on the margins of the meeting to discuss deepening bilateral trade and investment ties to build resilient global supply chains.
- **Sept. 9, 2022:** US International Development Finance Corporation <u>announces</u> \$37.5 million in investments for Indian businesses working in financial services, healthcare, agriculture, and climate.
- **Sept. 12, 2022:** Indian Ambassador to the US Sandhu <u>meets</u> US Rep. Gregory Meeks to discuss the bilateral partnership.
- **Sept. 13, 2022:** Ambassador Sandhu <u>meets</u> Chairman of the Subcommittee on South and Central Asia Sen. Chris Murphy to discuss opportunities for partnership. He also <u>meets</u> Senator and co-Chair of the Senate India Caucus John Cornyn.
- **Sept. 14, 2022**: US Secretary of Defense Lloyd Austin <u>calls</u> Indian Defense Minister Rajnath Singh to discuss bilateral defense cooperation ahead of the 2+2 Ministerial meeting next spring.
- **Sept. 15, 2022**: Indian Chief of Air Staff Marshal Vivek Ram Chaudhari <u>visits</u> the US for Air Chief's Conference to discuss bilateral defense partnerships.
- **Sept. 16, 2022**: US Deputy Chief of Mission Patricia A. Lacina <u>deposits</u> the treaty for US' continued commitment to the India-led International Solar Alliance, which deploys solar

energy technology to increase energy access and security. This means that the US ratifies the International Solar Alliance Agreement.

Sept. 19, 2022: US and India Coast Guards conduct bilateral joint exercise in Chennai to acquaint each other's capabilities and strengths in terms of various evolutions at sea.

Sept. 21, 2022: Indian Minister of Commerce and Industry, Consumer Affairs and Food and Public Distribution and Textiles <u>participates</u> in a discussion on WTO dispute settlement reform convened by US Trade Representative Ambassador Tai on the sidelines of the G20 Ministerial Meeting in Bali, Indonesia. They exchange views on ways to strengthen the WTO dispute settlement mechanism to make it more accessible and efficient.

Sept. 21, 2022: US Coast Guard Cutter Midgett <u>visits</u> Chennai during Western Pacific Patrol 2022 in another international port call with Indian Coast Guard partners working to advance capabilities and interoperability.

Sept. 21, 2022: Indian Union Minister of State Science and Technology, Earth Sciences, Atomic Energy and Space <u>hosts</u> event with participants from the US administration, Congress, think tanks, academia, and industry to discuss the bilateral partnership in science and technology and space.

Sept. 26, 2022: Defense Secretary Austin <u>reaffirms</u> continued efforts to strengthen bilateral defense ties with India. He <u>meets</u> Minister Jaishankar to discuss the Ukraine conflict, Indo-Pacific development, maritime challenges, and regional issues in light of the contemporary India-US defense partnership.

Sept. 26, 2022: Minister Jaishankar <u>meets</u> Commerce Secretary Raimondo to discuss resilient supply chains, IPEF, high technology cooperation, semiconductors and business promotion.

Sept. 27, 2022: Secretary Blinken meets Indian External Affairs Minister Jaishankar to discuss continued bilateral collaboration on global health challenges, climate change and clean energy, food security, and the implications of Russia's war in Ukraine. Jaishankar also meets Reps. Ami Bera and Jerry McNerney, as well as Sens. Chris Coons, Mark Varner, and Jon Ossoff.

He <u>holds</u> a bilateral meeting with US National Security Advisor Jake Sullivan to discuss the Ukraine conflict, the Indo-Pacific, South Asia, the Gulf, and global economic volatility.

Sept. 28, 2022: Minister Jaishankar <u>meets</u> US Director of National Intelligence Avril Haines to discuss furthering the bilateral strategic partnership.

Oct. 4, 2022: Assistant Commissioner for the US Customs and Border Protection's Office of International Affairs Debbie Seguin <u>visits</u> India and meets counterparts in the Department of Homeland Security, Homeland Security Investigation and other federal colleagues to discuss advancing global supply chain security interests with India.

Oct. 4, 2022: Ambassador Sandhu <u>meets</u> the Governor of Massachusetts Charlie Baker to discuss opportunities for collaboration in energy, education, life sciences, and technology.

Oct. 6, 2022: US Congressional Staffers Delegation <u>visits</u> Indian aircraft career *INS Vikrant*.

Oct. 7, 2022: US Secretary of the Department of Energy Jennifer Granholm meets Indian Union Minister for Petroleum and Natural Gas Hardeep Singh Puri to launch the Strategic Clean Energy Partnership Ministerial Meeting. They reaffirm bilateral cooperation to ensure energy security, advance innovation, and diversify clean energy supplies and discuss five pillars of the bilateral clean energy partnership: power and energy efficiency, responsible oil and gas, sustainable growth, emerging fuels, and energy transition.

Oct. 7, 2022: Minister Hardeep Singh Puri <u>meets</u> Deputy Secretary of the US Treasury Wally Adeyemo in Washington DC.

Oct. 7, 2022: US International Development Finance Corporation <u>announces</u> a series of loans to organizations in India to advance long-term economic growth, global health, food security, technology in communications, gender equity, clean energy and climate.

Oct. 11, 2022: US Secretary of the Treasury Janet Yellen <u>meets</u> Indian Minister of Finance and Corporate Affairs Nirmala Sitharaman to discuss deepening bilateral economic bonds, avoiding supply chain disruptions, and addressing global

shocks. She announces that she will travel to India in November to participate in the annual US-India Economic and Financial Partnership.

Oct. 11, 2022: Ambassador Sandhu <u>addresses</u> joint working group meeting of Indo-US Vaccine Action Programme to underline how bilateral healthcare ties are crucial in the pandemic and post-pandemic environments. He also <u>meets</u> Chief Medical Adviser to President Biden and Director of the National Institute of Allergy and Infectious Diseases Dr. Anthony Fauci.

Oct. 11, 2022: Indian's oil and gas entities, oilfield service providers, and sector leaders <u>sign</u> four MoUs as part of the US-India strategic clean energy partnership.

Oct. 12, 2022: Deputy Assistant Secretary of the State Department's Bureau of South and Central Asian Affairs Afreen Akhter <u>visits</u> India to strengthen the bilateral partnership on critical emerging technology and regional integration for a more resilient Indo-Pacific.

Oct. 13, 2022: Indo-US Vaccine Action Program <u>celebrates</u> its 35th anniversary as a model of equal partnership in public health and support for the development of safe and effective vaccines.

Oct. 14, 2022: At Media Rumble 2022, US Embassy spokesperson Christopher Elms <u>states</u> that India and the US are driving the future towards clean energies and climate change.

Oct. 17, 2022: Deputy Assistant Secretary of the State Department's Bureau of South and Central Asian Affairs Nancy Jackson <u>visits</u> India and reiterates the US' unwavering commitment to Ukraine and the importance of the bilateral partnership to foster a free and open Indo-Pacific.

Oct. 17, 2022: US Consul General to Mumbai Mike Hankey <u>participates</u> in a roundtable at the Defense Expo, discussing the steadfast growth of bilateral defense trade. He is joined by Amcham India, the US-India Business Council, and the US-India Strategic Partnership Forum.

Oct. 17, 2022: US Department of State Secretary's Office of Global Women's Issues <u>joins</u> US and Indian policy experts at the Women's Empowerment Dialogue in New Delhi.

Oct. 18, 2022: US Consul General to Mumbai Mike Hankey <u>attends</u> the Defense Expo in Gujarat to see the showcase of cutting-edge defense technology by US companies. He <u>meets</u> with Chief Minister of Gujarat Bhupendra Patel to discuss bilateral defense cooperation and coproduction.

Oct. 18, 2022: At a signing ceremony, CEO of US International Development Finance Corporation Scott Nathan <u>signs</u> a commitment letter for a \$35 million loan to Credit Access Grameen and a \$10 million loan guarantee to Punjab Renewable Energy Systems Private Limited. He reaffirms the US' commitment to promoting women's economic empowerment and supporting India's growing energy needs.

Oct. 19, 2022: USAID India and the US-India Strategic Partnership Forum <u>sign</u> aan MOU to extend and expand collaboration in India on priority areas such as climate change, health, inclusive development and more.

Oct. 19, 2022: CEO of US International Development Finance Corporation Scott Nathan announces \$9.9 million in financing to Eye-Q to expand its operations of high-quality and affordable eye care services in underserved areas in India. He also <u>participates</u> in a series of meetings in Mumbai with leaders from the financial, power, infrastructure, and other sectors.

Oct. 19, 2022: Director of Strategic Planning and Policy of the US Indo-Pacific Command Maj. Gen. Chris Phillips meets Chief of Staff of India's Eastern Naval Command Vice Adm. Sanjay Vatsayan.

Oct. 21, 2022: Indian-American US Air Force Col. Biren Oberoi <u>visits</u> Vizag for the *Tiger Triumph* humanitarian assistance exercise between the US and Indian militaries.

Oct. 24, 2022: US President Joe Biden <u>marks</u> Diwali through a celebration at the White House.

Oct. 26, 2022: Secretary Blinken <u>marks</u> end of Diwali with a special event at the State Department.

Oct. 28, 2022: Principal Deputy Assistant Secretary for the US Bureau of Cyberspace and Digital Policy Jennifer Bachus <u>participates</u> in the US-India Open RAN Policy Roadshow and a quad

Open RAN Forum in New Delhi with Quad partners Australia, India, and Japan, as well as telecommunications companies to discuss promoting the adoption of Open Radio Access Networks.

Oct. 29, 2022: Secretary Blinken <u>speaks</u> to Minister Jaishankar about Russia's war in Ukraine, counterterrorism, and regional issues.

Nov. 2, 2022: Ambassador Sandhu meets
National Cyber Security Coordinator Lieutenant
General Rajesh Pant and other officials
participating in the Counter-Ransomware
Initiative Summit hosted by the White House.

Nov. 3, 2022: Ambassador Sandhu and India's G20 Sherpa Amitabh Kant <u>meet</u> Secretary of Commerce Raimondo to discuss bilateral economic and commercial priorities and India's G20 presidency.

Nov. 5, 2022: USAID India's Acting Mission Director Karen Klimowski and the Chief Minister of Haryana, India, <u>launch</u> the Trees Outside Forests in India program to mitigate climate change, improve the resilience of farming systems, and increase the income of farmers in Haryana.

Nov. 6, 2022: US Chief of Naval Operations Adm. Mike Gilday <u>meets</u> Indian Chief of the Naval Staff Adm. R. Hari Kumar onboard *JS Izumo* during the International Fleet Review 2022. They discuss maritime security, sharing capabilities, and the strategic importance of the Indian Ocean.

Nov. 7, 2022: US Deputy Secretary of State Wendy R. Sherman <u>meets</u> Indian Foreign Secretary Ambassador Vinay Mohan Kwatra to discuss bilateral relations and advance security and regional cooperation in the Indo-Pacific and globally.

Nov. 8, 2022: US Trade Representative Katherine Tai meets virtually with Indian Minister of Commerce and Industry, Consumer Affairs and Food and Public Distribution and Textiles Piyush Goyal. They discuss shared priorities and ways to grow the bilateral trade and investment partnership.

Nov. 8, 2022: Joint navy exercise *Malabar* begins in Japan, hosting US, Indian, and Australian navies. The exercises involve naval ships,

aircraft, and personnel, and take place in the Philippine Sea.

Nov. 9, 2022: Secretary of Commerce Raimondo and Minister Goyal <u>launch</u> the US-India CEO Forum to foster private sector trade ties.

Nov. 9, 2022: India's Department of Atomic Energy hosts US National Nuclear Security Administration at the Global Centre for Nuclear Energy Partnership in New Delhi to discuss the bilateral partnership on global security and addressing threats of nuclear terrorism through education, training, and international cooperation.

Nov. 9, 2022: Ambassador Sandhu joins the India-US CEO Forum under the leadership of Indian Minister of Commerce and Industry Piyush Goyal, Secretary of Commerce Raimondo, and other CEOs.

Nov. 11, 2022: Secretary of the Treasury Janet Yellen meets Indian Minister of Finance and Corporate Affairs Nirmala Sitharaman to discuss shared economic interests, cooperation to face global headwinds, and common priorities. They meet with executives of major Indian companies and US companies operating in India. Secretary Yellen reaffirms that increased economic integration with trusted partners mitigates geopolitical risk and strengthens supply chains. Yellen also visits Microsoft India and speaks on deepening economic ties through friendshoring.

Nov. 13, 2022: Secretary Blinken meets Minister Jaishankar on the margins of the ASEAN summit in Phnom Penh. They discuss efforts to expand the bilateral partnership and mitigate the effects of Russia's war on Ukraine. Secretary Blinken also expresses support for India's G20 presidency.

Nov. 13, 2022: Vice President of India Shri Jagdeep Dhankhar <u>meets</u> President Biden on the sidelines of the 17th East Asia Summit in Phnom Penh, Cambodia.

Nov. 15, 2022: US President Biden <u>meets</u> Indian Prime Minister Narendra Modi and Indonesian President Joko Widodo to reaffirm their collective commitment to the G20 as the premier forum for global economic cooperation.

Nov. 17, 2022: White House Director of National Drug Control Policy Rahul Gupta meets Dr. Virendra Kumar, India's Union Cabinet Minister for Social Justice and Empowerment. They discuss the innovative drug demand reduction work in India and the US, as well as shared priorities of prevention, treatment, and recovery services.

Nov. 17, 2022: White House Director of National Drug Control Policy Rahul Gupta meets the Director-General of the Narcotics Bureau of India Satya Narayan Pradhan. They discuss emerging trends in drug trafficking and use, as well as opportunities for continued collaboration on holistic approaches to counternarcotics.

Nov. 17, 2022: US Secretary of the Navy Carlos Del Toro <u>meets</u> Indian Defense Secretary Shri Giridhar Aramane to discuss bilateral strategic cooperation and the defense partnership.

Nov. 18, 2022: US Secretary of the Navy Carlos Del Toro <u>lays</u> a wreath at the National War Memorial in New Delhi.

Nov. 21, 2022: US Secretary of the Navy Carlos Del Toro <u>meets</u> Vice Adm. of India's Southern Naval Command MA Hampiholi. They tour the aircraft carrier *INS Vikrant* and discuss the enhancement of bilateral cooperation, including on maritime issues.

Nov. 21, 2022: India's G20 Sherpa Amitabh Kant meets US G20 Sherpa and Deputy National Security Adviser Mike Pyle. They discuss bilateral partnerships in light of the G20 India presidency.

Nov. 21, 2022: US Consulate in Kolkata <u>marks</u> 230 years of diplomatic relations between the US and Kolkata.

Nov. 22, 2022: Secretary of Defense Austin meets Defense Minister of India Rajnath Singh at the ASEAN Defense Ministers' Meeting-Plus (ADMM-Plus) in Cambodia, agreeing to enhance defense cooperation to advance a shared vision for a free and open Indo-Pacific.

Nov. 24, 2022: USAID's Deputy Assistant Administrator for Asia Änjali Kaur <u>meets</u> Additional Secretary of the G20 Ambassador Abhay Thakur of India's Ministry of External Affairs to discuss the bilateral development partnership and commitments to a free and open Indo-Pacific region.

Nov. 25, 2022: USAID's Deputy Assistant Administrator for Asia Änjali Kaur <u>meets</u> Additional Secretary Vani Rao of India's Ministry of External Affairs to discuss ways to deepen bilateral cooperation and counter the climate crisis, grow the prosperity of both peoples, and uphold a free and open Indo-Pacific region.

Nov. 26, 2022: Secretary Blinken <u>commemorates</u> 14th anniversary of Mumbai terrorist attacks.

Nov. 30, 2022: India <u>assumes</u> its G20 presidency and commits to an inclusive, ambitious, action-oriented, and decisive agenda to further global good. US President Biden <u>expresses</u> support for India's G20 presidency.

Nov. 30, 2022: Minister Jaishankar <u>meets</u> Chargé d'Affaires of the US Mission in New Delhi Ambassador A. Elizabeth Jones to discuss ongoing progress in bilateral cooperation.

Dec. 1, 2022: US Special Representative for Afghanistan Thomas West <u>travels</u> to India, Japan, and the UAE to engage on critical collaboration with respect to continued humanitarian support and defending education and human rights for girls and women in Afghanistan.

Dec. 2, 2022: US and Indian Armies <u>conclude</u> the 18th edition of joint military exercise Yudh Abhyuas and reinforce commitment to the Indo-Pacific region, improved interoperability, and the bilateral defense partnership. They <u>set</u> new standards for interoperability in multidimensional humanitarian assistance, peacekeeping, and disaster relief operations.

Dec. 6, 2022: Chargé d'Affaires of the US Mission in New Delhi Ambassador A. Elizabeth Jones and US Consul General to Mumbai Mike Hankey participate in a meeting organized by the American Chamber of Commerce in India to reaffirm the US' commitment to bilateral business ties and free and fair trade in the Indo-Pacific.

Dec. 8, 2022: On the sidelines of his visit to Coxsbazar for Bangladesh Navy IFR-22, Indian Vice Adm. Biswajit Dasgupta of the Eastern Naval Command meets Adm. Samuel J. Paparo, Commander of the US Pacific Fleet. They discuss navy cooperation in the Indo-Pacific, the increasing complexity of Malabar naval

exercises, and progress in other fields of cooperation.

Dec. 10, 2022: Ambassador Sandhu <u>meets</u> several students from the inaugural Quad Fellows cohort, including students from India pursuing research in sustainability and environment.

Dec. 14, 2022: Chargé d'Affaires of the US Mission in New Delhi Ambassador A. Elizabeth Jones <u>visits</u> US solar technology company First Solar's manufacturing facility in Tamil Nadu, which will help to bring India closer to its climate goals and strengthen global solar panel supply chains with US International Development Finance Corporation financing.

Dec. 15, 2022: Principal Deputy Assistant Secretary for the Bureau of South and Central Asian Affairs Elizabeth Horst <u>visits</u> India and meets Indian partners to strengthen bilateral relations and enhance people-to-people ties.

Dec. 16, 2022: At their first Annual Regulatory Forum, experts from the India Office of the US Food and Drug Administration's Office of Global Policy and Strategy and the Drug Control Department of the Government of Karnataka meet to discuss operations and share knowledge on medical product inspection practices.

Dec. 20, 2022: Fifth edition of the joint US-India navy special forces exercise *Sangam-22* takes place from Dec. 1-20 in Goa.

Dec. 21, 2022: Chargé d'Affaires of the US Mission in New Delhi Ambassador A. Elizabeth Jones meets key business leaders in Kolkata to discuss ways to strengthen and expand bilateral economic relations and regional connectivity in India's East and Northeast regions.

Dec. 22, 2022: US and Indian Navies <u>conclude</u> an exchange at *INS Hansa*, whereby subject matter experts exchanged defense expertise.

Chronology prepared by Pacific Forum Nonresident Lloyd and Lilian Vasey Fellow Angela Min Yi Hou



COMPARATIVE

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EXTERNAL ORDER, INNER TURMOIL

CATHARIN DALPINO, GEORGETOWN UNIVERSITY

In November three ASEAN states—Cambodia, Indonesia, and Thailand—drew favorable marks for their chairmanship of high-profile regional and global meetings: the East Asia Summit and ASEAN Leaders Meeting; the G20 Summit; and the Asia Pacific Economic Cooperation (APEC) meeting, respectively. Helming these meetings was particularly challenging for Southeast Asian leaders—who are naturally inclined to avoid strong alignments with external powers—in the current global environment of heightened tensions between the United States and China in the Taiwan Strait and the war in Ukraine. However, the year was a difficult period for ASEAN internally, with uneven economic recovery from the COVID-19 pandemic and the intractable conflict in Myanmar. The last quarter of 2022 saw two political shifts in the region: in general elections in Malaysia, Anwar Ibrahim achieved a longstanding ambition to become prime minister but will have to manage a difficult coalition to retain power. At the year's end, Laos changed prime ministers, but it is not clear if the transition will solve the country's debt problems, which were revealed to be more dire than estimated.

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ASEAN's Diplomatic Spotlight

At the beginning of 2022, the three chairs of the November summits no doubts harbored hopes that the fall events would showcase progress that ASEAN had made over the challenges of 2021. The COVID-19 pandemic had come late to the region; in the spring of 2021 Southeast Asia had become a global hotspot of the virus. By mid-2022 the region had largely re-opened and, although still lagging pre-pandemic growth rates, the economy was again in the positive column. Indonesian President Joko Widodo drafted an agenda for the G20, which Jakarta would chair for the first time, that focused on trade, investment, and climate change assistance from the West that would.

Thai Prime Minister Prayuth Chan-ocha envisioned a similar agenda, focused on the Indo-Pacific region; moreover, facing reelection with low approval ratings, Prayuth was in need of a boost to his international image. Hun Sen had little hope that the conflict in Myanmar would end in 2022 but hoped that ASEAN, with Cambodian leadership, could have some impact on the situation with the Five-Point Consensus Plan agreed upon in April 2022. Above all, the three summits, tightly choreographed to enable world leaders to hop easily from one to another in less than a week, would enable Southeast Asia to act as a diplomatic fulcrum, if only temporarily.

Many of these hopes were dashed with the Russian invasion of Ukraine in February and, to a lesser extent, a crisis in the Taiwan Strait in August. For the first half of the year international attention was focused primarily on the war in Ukraine. Southeast Asia felt its impact in new divisions among regional powers; the global energy crisis; supply chain disruptions; and higher fuel and food prices in the region. Jakarta in particular came under pressure from the West to refuse an invitation to the G20 summit to Vladimir Putin, presumably the first step to expelling Russia from the group, a proposal that Beijing predictably opposed. The situation in Taiwan caused all three leaders to fear confrontation between Chinese President Xi Jinping and US President Joe Biden at the meetings.

By the fall it was clear that ASEAN had made no progress in mitigating the conflict in Myanmar; the ASEAN Leaders Meeting in November was attended by nine of the 10 member states: by then it had become common practice for ASEAN to request that Naypyidaw send "politically neutral" representatives to ASEAN meetings and for the military regime to refuse to participate.

Despite these considerable obstacles, the three meetings had a series of successes. Although Putin had been invited to all three, he attended none and sent Foreign Minister Sergey Lavrov in his place. US-China tensions were evident, but a meeting between Biden and Xi on the margins of the G20 in Bali, Biden's first in-person meeting with Xi since his inauguration in 2021, calmed Southeast Asian nerves about great power rivalry for a brief time.

Joko and Prayuth were able to salvage their economic agendas by the skillful <u>negotiation</u> of leaders' consensus statements, which took full note of the profound impact the Ukraine crisis exerted on the international community without listing too far in any one direction. The APEC statement said that "most members" condemned Russia's actions in Ukraine but that "there were other views and different assessments of the situation and sanctions."

Although the East Asia Summit and its adjacent bilateral meetings paid due attention to the ongoing crisis in Myanmar, Phnom Penh was lauded for organizing the first major in-person summit in the region since the start of the pandemic and was able to advance ASEAN relations with its external partners in some cases. The United States and ASEAN finalized the US-ASEAN Comprehensive Strategic Partnership. Included in the statement was the Biden administration's intention to seek approval from Congress to classify ASEAN as an international organization, which would give the group full diplomatic recognition and enable it to open an embassy in Washington. Biden accrued a small amount of "soft power" when he attended the Cambodian meetings while Xi and Putin did not, but Bangkok was disappointed that he left the region before the APEC meeting, passing the baton to Vice President Kamala Harris to represent the US.

ASEAN was also able to agree at the November Leaders Meeting to a future expansion. East Timor was granted admission "in principle" as the 11th ASEAN member and will <u>participate</u> in the group as an observer until its formal ascension. Indonesia, which is nervous about having a smaller state on its perimeter that could be a target for Chinese attention, is anxious to

admit Dili as soon as possible. However, some members worry about the impact on ASEAN economic integration of admitting another poor country. The earliest that East Timor is given full admission is likely to be 2025, after Laos chairs ASEAN in 2024 and when the chair rotates to Malaysia.



Figure 1 President Biden takes a selfie with labor officials on the margins of the East Asia Summit in Phnom Penh, Cambodia on Nov. 13, 2022. Photo: Twitter/@POTUS

ASEAN's Albatross

In the closing months of 2022, the conflict in Myanmar showed no openings for reconciliation and no indication that ASEAN could play a significant role in it. Cambodia's modest ambition to get humanitarian assistance flowing, one provision of the Five-Point Plan, had sputtered and ultimately failed. By October then-Malaysian Foreign Minister Saifuddin Abdullah renewed his calls for ASEAN engagement with the opposition National Unity Government and recommended that the junta be excluded from the November ASEAN Leaders Meeting.

Since July, the military regime had adopted the practice of executing high-profile protest leaders, usually educated and younger members of the resistance. Human rights groups believe that the junta's list of death sentences presently has 130 names. In October the military conducted an aerial bombing of an ethnic community event in Kachin State, killing an estimated 100 people. By year's end, NLD leader and former State Counselor Aung San Suu Kyi had received convictions and prison sentences over a range of charges that, if implemented, could keep the 77-year-old in detention for 33 years.

Although the West continues to support the ASEAN Five-Point Consensus Plan for Myanmar, there is little optimism that it can be operationalized in the near-term. The junta's apparent strategy is to seek creeping normalization of its regime with the regional group, specifically the other countries of mainland Southeast Asia. Prime Minister and Armed Forces Commander Min Aung Hlaing continues to hold out the possibility of elections in the summer of 2023, which would likely be confined to military-backed parties. He calculates that the authoritarian ASEAN states, and possibly Thailand, would accept the outcome of the polls.

In mid-December Bangkok appeared to second that notion when the government organized a "non-ASEAN" meeting on the crisis in Myanmar inviting junta officials and the foreign ministers of other ASEAN members. Only Vietnam, Laos, and Cambodia sent officials; the other ASEAN states declined. The Bangkok meeting invited comparisons to ASEAN's "cocktail party" approach to ending the Cambodian civil war in the late 1980s, before the United Nations assumed responsibility for the transition. ASEAN employed a division of labor, in which member countries were responsible for bringing different factions and their external patrons to the negotiating table.

If ASEAN were to apply this model to Myanmar, Thailand would presumably be the primary contact for the junta, while Indonesia and Malaysia handled the National Unity Government. However, the differences between the two wars are greater than the similarities. The Cambodian civil war was internationalized, and forging agreement among the external sponsors was the primary task. Despite China's and Russia's stronger relations with Naypyidaw since the 2021 coup, the conflict in Myanmar is internally driven and neither the military nor the NUG shows willingness to consider a shift in its position.

The United States and other Western countries continue to support the ASEAN Five-Point Consensus Plan as the centerpiece of their Myanmar policies. In the last quarter, Washington added sanctions, tailored to shifts in the conflict and targeting direct participants. These targets included arms dealers who helped sell Russian weapons to the Tatmadaw and an aircraft company that supports the military with equipment for its aerial bombings.

However, in the last quarter of 2023 the United States made two policy shifts toward Myanmar. On Dec. 8, the State Department announced that it would downgrade relations with Myanmar by not replacing the US Ambassador to Naypyidaw Thomas Vadja when he left his post at the end of 2022. The Embassy will be led by Deputy Chief of Mission Deborah Lynn, acting as Chargé d'Affaires. This is a soft form of de-recognition but not a complete break of diplomatic relations and was a strategy that Washington employed in the 1990s and 2000s when Aung San Suu Kyi was in detention. Washington will likely return an ambassador to Myanmar if and when a free and fair election is conducted, although the exact terms for this were not spelled out. The US was not the first to use attrition as a means of derecognition since the 2021 coup: Germany, Italy, Australia, Canada, and South Korea have also done so.

In addition, the 2023 National Defense Authorization Act, passed by Congress in mid-December, not only broadens the authority for the administration to apply sanctions to the military and its supporters but also to provide non-lethal aid to the National Unity Government and other quarters of the resistance. This is not a formal call to recognize the NUG but implicitly encourages the administration to engage more deeply with the opposition.

Washington Expands a Critical Alliance

Following the APEC meeting in Thailand, Vice President Kamala Harris traveled to Manila to meet with President Ferdinand Marcos, Jr., and to visit Palawan, the Philippine island that faces the South China Sea. Just prior to Harris's arrival the Pentagon announced that it would earmark \$65 million to help the Philippines refurbish several military bases under the US-Philippines Enhanced Defense Cooperation Agreement (EDCA), which authorizes access for US forces to locations in the Philippines on a rotational basis. The new projects will expand the Pentagon's "flexible basing" in the region, adding new EDCA sites in Palawan in Cagayan, which faces Taiwan. Harris also signaled that negotiations to allow civil nuclear cooperation would commence.

The selection of the new EDCA sites represents a leap in bilateral cooperation in the US-Philippines alliance. It also signals that, in security matters at least, Marcos intends to move more closely to Washington; former President Rodrigo Duterte episodically attempted to stall

and disrupt EDCA and even at one point tried to terminate the VFA. However, Marcos is determined to balance the Philippines' relations with the United States and with China and by year's end he had announced that he would make his first state visit to Beijing in January.

Marcos envisions a division of labor in which Washington is a close security ally but Beijing is a major provider of infrastructure investment. To that end, he has conducted talks with China on reviving three rail projects under the Belt and Road Initiative that had lapsed in the Duterte era for lack of financing. However, this separation may not suit either the United States or China. At the urging of the US government, US companies purchased sites around Subic Bay that Chinese companies had planned to acquire.

Nor is there any indication that closer economic relations would change Chinese behavior in the South China Sea. Despite friendly rhetoric between Beijing and Manila on economic relations, in December PRC vessels, described in a State Department statement as "escalating swarms," menaced Filipino vessels in the vicinity of Iroquois Reef and Shabina Shoal in the Spratlys. Moreover, there is little doubt that the EDCA expansion will antagonize Beijing.



Figure 2 US Marines with Battalion Landing Team 2/5, 31st Marine Expeditionary Unit, and Philippine Marines return to the Amphibious Transport Dock USS New Orleans (LPD 18) in October during KAMANDAG 6, in the Philippine Sea. Photo: US Marine Corps/Cpl. Yvonne Iwae

Decarbonizing the Region (One Country at a Time)

The global energy crisis, combined with the increasing severity of natural disasters around

the world, raised international awareness of the urgency of transitioning to cleaner energy sources. This awareness is particularly acute in Southeast Asia. For the past two decades, energy demand in the region (averaging 5% per year) has exceeded economic growth (an annual average of 5.7%). This discrepancy will only grow as Southeast Asian middle classes expand and with them the demand for energy. These realities are revisited annually at the United Nations Conference on Climate Change (COP), last year in October at COP17 in Sharm-El-Sheik, Egypt.

Southeast Asia is one of the most beleaguered regions in terms of climate change disasters; the Philippines, Thailand, and Myanmar are placed in the top 10 most vulnerable in the world.

Nine of the 10 Southeast Asian countries have set targets under the Paris Agreement to achieve net-zero carbon emissions by 2050 to meet the Inter-Governmental Panel on Climate Change target of keeping the rise in temperatures to 1.5 degrees Celsius. (The Philippines is the only ASEAN country that has not committed to a net-zero target.) However, emissions will continue to climb, reaching a peak in 2029, before they begin dropping by 2041. This calls into question whether the goals set by the region's governments are achievable by 2050.

Approximately 75% of Southeast Asia's electricity supply comes from fossil fuels, and coal makes up roughly 50% of that. Coal remains the dominant fuel in the region, and since the early 2010s, the pace of Southeast Asia's coal power expansion has been among the fastest in the world. The region aims to have 23% of its primary energy supplied by renewables by 2025, but that goal is likely unrealistic. The International Renewable Energy Agency (IRENA) estimates that Southeast Asian nations would need to more than double their investments in renewable energy to meet it.

With this in mind, in the final months of 2022 Indonesia and Vietnam engaged with multilateral institutions to embark on long-term plans to reduce their dependence on fossil fuels. Indonesia is the top polluter from carbon-based fuels in the region and the world's 8th-largest emitter; it is also a top exporter of thermal coal. Carbon emissions are expected to increase in the country by roughly 25% until 2030. Vietnam is the second-biggest polluter in Southeast Asia.

Under the umbrella of the Just Energy Transition Partnership (JEPT) concept that emerged from COP26 in 2021, in November the Asian Development Bank announced that it would refinance and then prematurely retire the Cirebon 1 coal-fired power plant in West Java in Indonesia, which provides some power to Jakarta. Climate change experts estimate that the deal could remove as much as 30 million tons of greenhouse gas emissions over a 15-year period, the equivalent of taking 800,000 cars off the road. In December the G7 announced it would pledge \$15.5 billion to help Vietnam transition away from coal through a similar process. The agreement aims to enable Vietnam to source 47% of its power from renewable energy by 2030.

The JEPT approach is controversial because of its central paradox: to reduce reliance on coal the program first guarantees its production for several years. However, supporters of the program argue that economic, social, and infrastructure issues will all affect a transition away from Southeast Asian dependence on coal and will need time to resolve, and that JEPT builds those realities into the program.

Political Trends and Transitions

Although the outcome of the Nov. 19 elections in Malaysia was not immediately clear, the polls eventually delivered the country's first elected prime minister in two years. Anwar Ibrahim, leader of the multi-ethnic Pakatan Haraphan (PH) coalition and of the People's Justice Party (PKR) achieved a decades-long ambition and was sworn in as Malaysia's 10th prime minister. The election also marked Anwar's emergence at last from the shadow of the legendary former Prime Minister Mahathir: losing election for his parliamentary seat, the 96-year-old Mahathir retired from politics to write a book.

However, resolution of the Nov. 19 polls shed light on the continued divisiveness in Malaysian politics. The election results left a hung parliament, with the PH winning a plurality of 83 of 222 seats. Anwar cobbled together a "unity" coalition that included former Prime Minister Muhyiddin Yassin's Perikaton Nasional (PN) coalition, which received the second-highest number of votes; and UMNO and the Barisan National coalition, which came in third.

It will be a challenge for Anwar to keep this coalition together, while Malaysia's

longstanding Islamist party, the Parti Islam Se-Malaysia (PAS), presents a challenge of a different nature. PAS is the dominant party within Muhyiddin's PN coalition and made a stronger showing than expected; moreover, it won more votes than any single party, including Anwar's PKR. PAS has never held national power, but when it won majorities in two northern states in 1999 it attempted to impose *sharia* law in those states, for both Muslims and non-Muslims.

Islam is the official religion of Malaysia, but the system of government is secular rather than theocratic; if PAS were to win a national election, it could attempt to change the constitution to remove the firewall between civil and religious law. PAS's strong showing in the November elections and the Indonesian Parliament's revision of the country's Criminal Code in December, which criminalizes adultery and imposes other social restrictions, raises fears of a new surge of Islamism in the region.

Thailand

Thailand's Election Commission has set polls for May 2023, but movements among the political parties in Parliament could force Prayuth to call an early election. On Sept. 30 the Constitutional Court ruled that Prayuth's must leave office no later in 2025, because he will have exhausted the eight years permitted to serve as prime minister, but he is likely to run for re-election even though his tenure would be curtailed.

In preparation for his final campaign, in December Prayuth left his political base, the Phalang Pracharath Party (PPRP), and allied himself with the Ruam Thai Sang Chart Party, a new party that was likely created with Prayuth's jump in mind. Reportedly, 94 PPRP Members of Parliament are ready to move to Ruam Thai with Prayuth. Phalang Pracharat may run Deputy Prime Minister Prawit Wongsuwan, co-leader with Prayuth in the 2014 coup, as their candidate for prime minister in the <u>election</u>. Although this would pit the two former allies against one another, Prayuth and Prawit are likely to end up in the same coalition after the election, to keep the military's influence in politics strong. Regardless, the split could advantage the opposition and even tilt the election toward the opposition Pheu Thai Party, the party of the Shinawatra family. However, Thai politics are extremely fluid, and even if elections are called ahead of May 2023, all the main players will keep their options open.

Cambodia

As Cambodia looks ahead to general elections in July, Prime Minister Hun Sen has signaled that he may step down after general elections in July 2023, which his Cambodian People's Party (CPP) will inevitably win. If he does, his son, 44-year-old Armed Forces Commander Hun Manet, will likely become prime minister, with Hun Sen maintaining a senior advisor role. Hun Manet has already been acknowledged by the CPP as Hun Sen's political heir, but the succession process had been assumed for 2028.

Hun Sen has several reasons to move the succession up four years. He is in a relatively strong position at this point, having chaired ASEAN in 2022. The CPP won local elections this year but its vote share (80%) was less than expected; a successful transfer of power to Hun Manet would underscore the stability of the CPP to the Cambodian public and the international community and head off challenges to Hun Sen's supremacy within the party.

Laos

On Dec. 30, Laotian Prime Minister Phankham Viphavanh <u>resigned</u> and was replaced by Deputy Prime Minister Sonexay Siphandone. The 72vear-old Phankham had come under increasing criticism from the party for his handling of the country's twin crises: the COVID-19 pandemic and the debt crisis that has pushed Laos close to default. In October the World Bank calculated that Vientiane's debt obligations to China, primarily loans for the China-Lao Rail Line, were greater than originally estimated and that the country's total debt could exceed annual GDP. Phankham had been unsuccessful in persuading Beijing to defer the debt or lower the interest rate. Sonexay will come under intense pressure from the party as well as from Laos' Southeast Asian neighbors—to mitigate the debt crisis and avoid pushing Laos into a Chinese "debt trap." In addition to this domestic pressure, the new prime minister must prepare to assume the ASEAN chair in 2024 when it rotates to Laos from Indonesia.



Figure 3 Anwar Ibrahim emerges victorious in the Nov. Figure 3 Anwar Ibrahim emerges victorious in the Nov. 19 elections after smaller blocs agree to back him to form a unity government. Photo: John Shen Lee/AP Photo

Looking Ahead

In the first quarter of 2023 Jakarta will show its broader plan for ASEAN during its tenure as the year's chair. There is no reason to believe that this timeframe will be sufficient for ASEAN to make an impact in the Myanmar conflict, but Indonesia will signal whether the group will continue on the path of the ASEAN Five-Point Consensus Plan or make a major mid-course correction. However, Jakarta will avoid the issue of official recognition of one side over another in Myanmar, as will the international community; in all likelihood, the first ASEAN Summit of the year, in the spring, will see the Myanmar chair empty.

As Anwar Ibrahim attempts to stabilize his coalition in Malaysia, Thailand will move closer to general elections. Before the planned May polls, Prayuth's ruling coalition could collapse with defections to outside parties, causing Prime Minister Prayuth to call early elections. In the run-up to July elections in Cambodia, Hun Sen will tighten his grip on the opposition but there is little chance of the CPP losing power.

One wild card for Southeast Asia in early 2023 will be the impact of China's reversal of its lockdowns and other stringent measures of its "Zero-COVID" policy. These policies had disrupted some supply chains and ASEAN leaders are hopeful that trade with China will stabilize as restrictions are lifted. At the same time, the new policies risk the spread of COVID across the region, and Southeast Asia will feel an early impact. In contrast to some Western countries, ASEAN states--particularly those with tourism sectors—are not likely to consider imposing travel restrictions on Chinese.

Compared to the last quarter of the year, the first quarter is a relatively fallow period for US-Southeast Asian relations. This will be all the more the case in 2023, with a new Congress that is divided and an administration focused more on domestic than foreign policy as a result. Nevertheless, the security environment in the Indo-Pacific will continue to demand close attention, ensuring that Southeast Asia remains on the screen.

CHRONOLOGY OF US-SOUTHEAST ASIA RELATIONS

SEPTEMBER — DECEMBER 2022

Sept. 5-7, 2022: US State Department Undersecretary for Arms Control Bonnie Jenkins <u>travels</u> to the Philippines, Vietnam, and Singapore.

Sept. 8-9, 2022: The third ministerial (and first in-person meeting) of the Indo-Pacific Economic Framework (IPEF) is held in Los Angeles. The 14 members declare which pillars that they will <u>negotiate</u> in and agree upon the main issue areas for each pillar.

Sept. 30, 2022: Thailand's Constitutional Court rules that Prime Minister Prayuth Chan-ocha's term as prime minister terminates in 2025, <u>resolving</u> disputes over whether his years as junta leader after the 2014 coup were to be counted.

Oct. 1, 2022: US Defense Secretary Lloyd Austin conducts a Defense Ministers Meeting in Hawaii with his counterparts in Japan, Australia and the Philippines.

Oct. 3, 2022: US and Filipino Marines <u>kick off</u> large-scale joint drills in and around Philippine Islands facing the South China Sea and in Japan, with Japanese and South Korean military participating as observers.

Oct. 3, 2022: US State Department Acting Coordinator for Counterterrorism Timothy Betts <u>visits</u> Indonesia for a counterterrorism dialogue with the Indonesian National Counterterrorism Agency.

Oct. 6, 2022: US Treasure Department <u>announces</u> sanctions on three individuals for procurement of Russian-made arms from Belarus for the military regime in Myanmar.

Oct. 9-14, 2022: Assistant Secretary of State for East Asia and the Pacific Daniel Kritenbrink travels to Vietnam and Laos. In Vientiane he cochairs the 10th US-Laos Comprehensive Dialogue.

Oct. 21, 2022: Philippine President Ferdinand Marcos, Jr., announces that Manila will drop a \$215 million helicopter deal with Russia and instead purchase military helicopters from the United States.

Oct. 27, 2022: ASEAN foreign ministers (minus Myanmar) meet in Jakarta at the ASEAN Secretariat to discuss the conflict in Myanmar. Indonesian Foreign Minister Retno Marsudi expresses "disappointment" that the ASEAN Five-Point Consensus Plan has not advanced, and acknowledges that the situation in Myanmar is worsening.

Nov. 3, 2022: United States and Singapore conduct the first US-Singapore Cybersecurity Dialogue, in Singapore, co-chaired by Cybersecurity Agency of Singapore Chief Executive David Koh and US Ambassador at Large for Cyberspace and Digital Policy Nate Fick.

Nov. 8, 2022: After an aerial bombardment by the Burmese junta in Kachin State on Oct. 23, the US Treasury Department targets Sky Aviator Company, Ltd., for sanctions for operating in Myanmar's defense sector.

Nov. 12-13, 2022: President Biden participates in the East Asia Summit in Cambodia and the adjacent US-ASEAN Summit. Presidents Xi Jinping of China and Vladimir Putin of Russia do not attend the EAS.

Nov. 12, 2022: At the 10th Annual US-ASEAN Summit in Phnom Penh, President Biden and ASEAN leaders <u>elevate</u> US-ASEAN relations to a Comprehensive Strategic Partnership.

Nov. 13, 2022: At the ASEAN Leaders Summit in Cambodia ASEAN agrees "in principle" to admit East Timor as its 11th member. Dili will have observer status until its formal admission, which will likely come in the middle of the decade.

Nov. 15-16, 2022: Indonesia <u>hosts</u> the G20 Summit in Bali. The meeting focuses on the global economic situation but does not dodge the

war in Ukraine in the consensus Leaders' Declaration.

Nov. 15, 2022: Just Energy Transition Partnership (JEPT) for Indonesia, which will <u>facilitate</u> Indonesia's transition to clean energy, is launched on the margins of the G20 Summit.

Nov. 16-17: Thailand <u>hosts</u> the Asia Pacific Economic Cooperation (APEC) meeting and brokers a consensus statement that calls Russia out for the war in Ukraine. The group adopts the Bangkok Goals on the Bio-Circular-Green Economy.

Nov. 17, 2022: Myanmar junta <u>releases</u> 5,800 prisoners, 400 of whom are estimated to be political detainees including Australian economist Sean Turnell and US citizen Kyaw Htay Oo.

Nov. 19, 2022: Malaysia holds general elections and Anwar Ibrahim, leader of the multi-ethnic Pakistan Haraphan (PH) coalition and of the People's Justice Party (PKR) becomes prime minister after complicated negotiations to assemble a ruling coalition. Anwar is sworn in on Nov. 24.

Nov. 21-22, 2022: Following her <u>visit</u> to Thailand to represent the United States at the APEC meeting, Vice President Kamala Harris travels to the Philippines and visits Palawan, a Philippine military base on the edge of the South China Sea.

Nov. 24, 2022: ASEAN Defense Ministers Meeting-Plus (ADMM-Plus) is hosted in Siem Reap, Cambodia, with participation from 9 of 10 ASEAN states (Myanmar being absent), plus 8 "dialogue partners."

Dec. 6, 2022: Indonesian Parliament votes to revise the country's Criminal Code to criminalize adultery, sex outside marriage, and insults to the president or other state authorities.

Dec. 6, 2022: In an address to the Carnegie Endowment for International Peace in Washington, Australian Foreign Minister Penny Wong chastises the United States for lackluster economic engagement in the Indo-Pacific region.

Dec. 8, 2022: US State Department <u>announces</u> that it will downgrade relations with Myanmar by not replacing US Ambassador to Naypyidaw

Thomas Vadja when he leaves his post at the end of December. The embassy will be led by the Deputy Chief of Mission Deborah Lynn, acting as Chargé d'Affaires.

Dec. 14, 2022: ASEAN and the European Union <u>hold</u> their first in-person summit in Brussels, to commemorate 45 years of relations.

Dec. 15, 2022: Thai government <u>conducts</u> a "non-ASEAN" meeting on the Myanmar conflict, inviting officials from the military time in Naypyidaw and other regional leaders. Among the other ASEAN states, only Vietnam, Laos, and Cambodia send their foreign ministers.

Dec. 16, 2022: 2023 National Defense Authorization Act <u>passes</u> in Congress and incorporates the Burma Unified Through Rigorous Military Accountability Act (BURMA Act) of 2021.

Dec. 19, 2022: Malaysian Parliament approves prime ministership of Anwar Ibrahim in a vote of confidence.

Dec. 30, 2022: Laos Prime Minister Phankham Viphavanh <u>resigns</u> and is replaced by Deputy Prime Minister Sonexay Siphandone.



COMPARATIVE

CONNECTIONS

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

CHINA- SOUTHEAST ASIA

XI MODERATES TO US AND OTHERS AMID CONTINUED COMPETITION

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Southeast Asia was the center of international attention in November as regional and global leaders gathered at the G20 conference in Indonesia, which took place between the annual ASEAN-hosted summit meetings in Cambodia and the yearly APEC leaders meeting in Thailand. Acute China-US rivalry loomed large in media and other forecasts, warning of a clash of US-Chinese leaders with negative implications feared in Southeast Asia and elsewhere. The positive outcome of the Biden-Xi summit at the G20 conference and related actions eased tensions, which was welcomed, particularly in Southeast Asia, but the implications for the US and allies' competition with China remain to be seen. Tensions over disputes in the South China Sea continued unabated. President Xi Jinping made his first trip to a major international gathering at the G20 conference followed by the APEC meeting after more than two years of self-imposed isolation in line with his government's strict COVID-19 restrictions.

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His visit occurred against the background of China's unprecedented military show of force in response to US advances in relations with Taiwan, strident criticism of US efforts to increase influence in Southeast Asia and elsewhere, and remarkable warnings about China's determination to resist adverse international threats in his landmark report to the 20th Communist Party Congress in October validating his third term as party leader. Representing the United States at the ASEAN and G20 summits, President Joseph Biden gave no ground on Taiwan or other sensitive issues, increased US support for the island government, signed two massive bills calling for over half a trillion dollars of spending to compete with China on high technology and climate change, and imposed strict export controls on advanced computer chip technology to undermine China's high technology ambitions.

Because of protocol and scheduling, Xi and Biden overlapped only at the G20 meeting, making the Xi-Biden summit meeting on the sidelines of that conference a focus of attention. As discussed in the US-China chapter of this edition of Comparative Connections, Xi adopted a more moderate approach in dealing with the United States. He notably ended China's past insistence that the United States change its policies toward China before China would agree to the Biden government's longstanding request to work with China to set guardrails to manage US-China rivalry in ways that would avoid military conflict. The Chinese leader's new approach was accompanied by public diplomacy efforts that were remarkable because they were starkly contrary to Chinese diplomacy throughout 2022. Chinese representatives and commentary endeavored to persuade audiences in Southeast Asia and elsewhere that Xi's report and recent strident Chinese commentary and provocative actions did not represent China's intentions. They corrected such "misperceptions" and advised that Chinese intentions were moderate, accommodating, and positive, focused on constructive outreach for cooperation in Southeast Asia and elsewhere. In addition to the United States, targets for this call to improve ties included US allies and partners heretofore strongly criticized by China for their policies in Southeast Asia and elsewhere, notably Japan and Australia.

Biden vs. Xi: Assessing Competition for Prominence

Chinese media devoted enormous publicity to Xi's activities, emphasizing Beijing's new depiction of China's positive intentions and outreach for the benefit of the world. In Southeast Asia there was debate on the causes of China's new flexibility. One cause was seen as the failure of China's tough approach to the US on Taiwan and other sensitive issues to lead to US concessions, resulting in an increasingly dangerous situation with serious negative regional and global implications. China's position on support for Russia in the war in Ukraine had increasing negative implications for Chinese influence abroad. Beijing's heretofore strict "zero-COVID" restrictions leading to mass protests and economic decline also were seen in need of change. The salience of climate change at the summits and in Southeast Asia in particular, followed the COP-27 meeting in Egypt, where Biden asserted world leadership amid China's neglect and serious shortcomings as the world's leading emitter of greenhouse gases increasingly relying on coal as China's main source of energy. The new Chinese flexibility was seen to help mitigate these negative developments impacting Beijing in the US-China rivalry for influence in Southeast Asia and globally.

Recent circumstances hampering China and favoring the US in their rivalry also included the Biden government's <u>leadership</u> in creating a broad and growing international coalition countering Russian aggression in Ukraine and dealing with related energy, food, and economic issues. The salience of these problems at the summits in Southeast Asia cast an ever more critical light on China's wide-ranging <u>support</u> for Vladimir Putin, including strong Chinese pressure on world governments to not side with the US in supportings Ukraine and criticizing Russia.

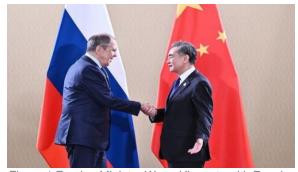


Figure 1 Foreign Minister Wang Yi meets with Russian counterpart Sergey Lavrov in Bali, Indonesia. Photo: Ministry of Foreign Affairs of the People's Republic of China

Adding to the mix was Biden's advantage as an experienced, collaborative, consultative, and accommodating leader in building coalitions to deal with international problems. This talent was on display as the US president convened and consulted closely with leaders in an emergency meeting of the G7 and with NATO members during the G20 summit over a missile strike in Poland.

Biden had an advantage in having built personal rapport in often-repeated in-person meetings with most of the G20 leaders. He showed flexibility in considering opposing positions of leaders such as Turkey's Prime Minister Recep Tayyip Erdogan, and even engaging in substantive discussion with authoritarian leaders in Egypt and Cambodia. In contrast, Xi Jinping came to the summits in Southeast Asia with little in-person contact with most leaders over the past three years. His message of struggle and resolute resistance at the party congress and firm Chinese policies on COVID restrictions and economic self-reliance underlined a rigid and uncompromising image reinforced by Xi's aloof and sometimes <u>stern</u> personality. Chinese <u>media</u> said that Xi actively "worked the room" in interactions with foreign leaders at the G20 but he reportedly skipped the Indonesian leader's "bonding" experience for the visitors in dressing up in matching outfits to plant trees in a nearby forest park, and his schmoozing at the conference included a widely publicized unpleasant encounter with the Canadian prime minister and a snub of the British prime minister.



Figure 2 President Jokowi invites G20 leaders to Ngurah Rai Forest Park, Bali. Photo: BPMI of Presidential Secretariat

The summit participants' widespread concern with climate change allowed Biden to play a leading role at the COP-27 summit given passage in August of the Inflation Reduction Act, which has \$369 billion for climate change efforts. In contrast, Xi Jinping was notable for not attending the summit, and in recent months China blocked climate change talks with the US until the US met Chinese preconditions.

One final area at the summits of importance to Southeast Asia that advantaged the United States in the competition with China was the Biden government's correction of the enormously damaging Trump government's handling of the COVID-19 pandemic. Effective use of advanced vaccines and providing expert public health guidance worked along with the weakened potency of the virus in an increasingly immune US population. This allowed for a return to economic and social normalcy, notably raising the influence and attractiveness of the US economy and society. By contrast, China's welljustified pride in 2020 in avoiding the death rate in the United States seemed much less important as international attention focused on Beijing's continuing isolation and the rigid zero-COVID lockdowns that harm the economy; the problem was that halting the zero-COVID policy could result in a wave of fatal illness among poorly vaccinated elderly people in particular.

China Strengthens Regional Ties

At the three summits in November, Chinese leaders and commentary stressed China's strong economic position and attentive diplomacy with Southeast Asian and other developing countries, notably the respective hosts, Cambodia, Indonesia, and Thailand.

Premier Li Keqiang's six-day visit to Cambodia beginning Nov. 8 involved attending the 25th China-ASEAN Leaders Meeting; the annual ASEAN +3 meeting that included China, Japan, and South Korea; the 17th East Asian Summit; and an official visit to Cambodia. Routine Chinese commentary depicted China-ASEAN ties as exceptional in Chinese foreign relations, said to be "the most dynamic, substantive and mutually beneficial." China's largest trading partner for the past two years, China trade with ASEAN amounted to a record \$798 billion in the first 10 months of 2022, a 13.8% increase over the previous year. Two-way investment amounted to \$340 billion, with 2021 Chinese investment in ASEAN amounting to \$14.35 billion and ASEAN investment in China amounting to \$10.58 billion. Chinese commentary highlighted the China-ASEAN Joint Statement on Strengthening Common and Sustainable Development which together with another joint statement marking the one-year anniversary of the Chinese-ASEAN Comprehensive Strategic Partnership will guide China-ASEAN future relations. Negotiations were launched on a new "3.0" version of the ASEAN-China Free Trade Agreement. Premier Li statement welcomed the China-ASEAN commemorating the 20th anniversary of the Declaration on the Conduct of the Parties in the South China Sea and pledged China would work with all ASEAN countries for peace, friendship, and cooperation in the South China Sea.



Figure 3 Leaders attending the 25th China-ASEAN Summit pose for a photo in Phnom Penh, Cambodia on Nov. 11, 2022. Photo: Xinhua

In an allusion to the United States and the South China Sea disputes, coverage of the ASEAN+3 summit featured Chinese warnings against unnamed forces sowing discord among regional countries for their own narrow interests.

An authoritative wrap-up of Xi Jinping's participation in the summits in Indonesia and Thailand and his official visit to those countries said he had "close to 20 bilateral talks" with international leaders, including Biden, It judged that Xi's speeches and diplomacy showed the correct direction for global governance, expanded China's global partnerships, and steadied relations with the United States. Foreign Minister Wang Yi summarized the trip by emphasizing Xi's support for developing countries and a list of 15 projects he proposed at the G20 involving cooperation and sustained multilateralism.

Wang also highlighted Xi's meeting with Vice President Kamala Harris, who represented the United States at the APEC meeting, expressing hope that the two countries would "reduce miscalculations and misjudgements and jointly push for bilateral ties to return to the track of healthy and stable development." Wang also highlighted talks between the US Treasury secretary and the US special trade representative with their Chinese counterparts as important as the two countries try to prevent relations from getting off course and seek to find the right way to get along. Xi's speech at the G20 criticized—without mentioning—US efforts to politicize food and energy issues, draw ideological lines, promote group politics and bloc confrontation, and use export controls against other countries.



Figure 4 Xi Jinping walks to the venue of the 17th summit of the Group of 20 in Bali. Photo: Ju Peng/Xinhua

Subsequently, the Chinese foreign minister's authoritative annual review of Chinese foreign relations in a speech on Dec. 25 viewed relations with ASEAN positively among the top five Chinese priorities and called for quickening the pace of China-ASEAN consultations on the proposed South China Sea Code of Conduct.

On bilateral matters, Chinese commentary highlighted trade with Indonesia amounting to \$124 billion in 2021, a growth of 60% over the previous year. Chinese investment in Indonesia was the second largest among ASEAN states. Important Belt and Road Infrastructure projects, notably the Jakarta-Bandung high-speed railroad project, were highlighted as was China's provision of 280 million vaccine doses to Indonesia. In Thailand, Xi emphasized a "special bond" with Thailand and said that China considered Thailand and China as "one family." Strong economic ties including infrastructure projects were highlighted with Xi calling for speeding up China-Thailand-Laos railway connections. In Cambodia, Chinese commentary hailed major infrastructure projects, with Premier Li and Prime Minister Hun Sen presiding at the opening of a Chinese-built expressway from the capital to the country's main port.

China-Vietnam Summitry: Stabilizing Ties

Chinese President Xi Jinping greeted visiting Vietnamese leader and general secretary of the Vietnamese Communist Party Nguyen Phu Trong on Oct. 31. Trong's visit was the first by a foreign leader since Xi secured an unprecedented third term as China's top leader at the Chinese Communist Party's 20th party congress in October 2022. In the high-profile visit, Xi indicated that both countries share strong foundations for a close partnership, emphasizing that they should "never let anyone interfere" with the progress of their domestic agendas in forging a strong socialist agenda for progress and development. Like Xi, Trong has also expanded his power base and authority within Vietnam's political system, staying on as Vietnamese Communist Party general secretary beyond the usual tenure of one to two terms. During the bilateral summit, both leaders pledged to expand security and economic partnership, including focusing on building a "stable industrial chain and supply chain system." Other highlights of the talks included an agreement to "properly manage" their differences and maintain regional stability in the South China Sea.

Laos: Leader Visits Xi Amid Serious Economic Troubles

Following the example of Communist Party leaders from Vietnam and Cuba, Laos President and Communist Party leader Thongloun Sisoulith traveled to Beijing, meeting Xi Jinping on Nov. 30 to congratulate him on being selected once again as Chinese Communist Party leader. The meeting came amid foreign reports over the past year of Laos government's dire fiscal situation as a result of massive Chinese debt estimated by the Thayer Consultancy to be about \$14 billion—against reserves of about \$1.3 billion. China accounts for about half of Laos' foreign debt, with the majority caused by expenses associated with the multibillion-dollar China-Laos railway. The railway is an important link for China's ambitions to connect southwestern China with the center of the Southeast Asian peninsula all the way to Singapore. [Insert picture of China-Laos Railroad here.] China Daily routinely runs stories about the success of the railway, offering figures of cargo and passenger traffic but Chinese publicity avoids the discussion in foreign outlets about the limited benefits for Laos, which are insufficient to pay off the massive loans that

allowed the railroad to be built. Chinese media coverage of the Lao leader's meeting with Xi only alluded to the debt problems with Xi saying in passing that China will continue to provide assistance to relieve the difficulties Laos is facing but without mentioning the railway debt.

Philippines: China Cautious, Wary of Marcos' US Cooperation

Expert foreign and Philippine commentators continue to <u>differ</u> in assessing how recent activism in US-Philippines military relations and top leaders' meetings will shape US-Philippine relations in the face of opposition by China. Senior US-Philippines military meetings promised big increases in joint exercises in 2022. Substantial increases were forecast in US military rotational deployments to the country. military aid, assistance in maritime surveillance capacity and countering illegal fishing. Bases for US deployments include sites in sensitive locations facing areas in the South China Sea contested by China. President Ferdinand Marcos Jr. reportedly was very welcoming of closer security ties with the United States in meetings with President Biden at the United Nations in September and with Vice President Harris in Manila in November. Harris traveled to one of the base sites facing Chinese claimed waters and, without mentioning China, registered strong backing for Philippine allies in the face of outside pressures.



Figure 5 US Vice President Kamala Harris delivers a speech on board a Philippine coastguard vessel in Puerto Princesa, Palawan. Photo: Reuters

The sharp uptick in regional tension following China's dramatic use of force against Taiwan in August reportedly prompted greater Philippines interest in working with the United States in dealing with a possible Chinese attack on Taiwan

and in demonstrating resolve to deter China from such action.

Official Chinese commentary on these developments highlighted limits on the US-Philippines cooperation because of what Chinese observers saw as strong Philippine interest in closer ties with China and disadvantages of close alignment with Washington. Recounting Xi Jinping's meeting with Marcos during the APEC leaders meeting in Bangkok, one report said the two leaders discussed extensive economic contacts and agreed that maritime disputes "should not define the entire Philippines relationship."

[Insert picture of Marcos meeting Xi here]

Chinese commentary at the start of Marcos' first official visit to China that began Jan. 3 was positive. The results of the visit may clarify where the new president stands in the US-China rivalry. An up-to-date assessment of Philippine leaders' calculations amid growing China-US rivalry highlighted state and military officials, public opinion, and many business interests as broadly pro-US and suspicious of China. But other leaders distrust the US government and view the alliance as destabilizing and an unneeded source of tension with China. Parts of the country that have benefited from China's economic involvement also tend to favor China, including areas long ruled by the Marcos family.

Continued Military Tensions in the South China Sea

Resumed US-China military talks following the Xi-Biden summit in Indonesia featured talks between Chinese Defense Minister Wei Fenghe and US Secretary of Defense Lloyd Austin on the sidelines of the ASEAN nations and dialogue partners defense ministers' meeting in Cambodia on Nov. 22. Chinese media criticized Austin for raising prominently his concern with "the increasingly dangerous behavior" of Chinese warplanes in the Indo-Pacific region, increasing the risk of an accident.

On Nov. 29, a US cruiser conducted the first freedom of navigation operation in the disputed South China Sea following the Xi-Biden summit, prompting strong <u>criticism</u> from the spokesman of China's Southern Theater Command and a

prompt reply from a representative of the US $7^{\rm th}$ Fleet.

China was not directly involved in a public dispute between the foreign ministries of Vietnam and Taiwan over Vietnam's complaint about a live-fire Taiwan navy drill on Nov. 29 near Taiping Island, the largest natural land feature in the Spratly Islands of the South China Sea. The island is claimed by Vietnam and China, but has long been controlled by the government in Taiwan. The Taiwan exercise was seen as countering possible threats from Beijing, not Hanoi.

Philippines' disputes with China in the South China Sea in November <u>involved</u> a Chinese Coast Guard vessel forcibly seizing rocket debris assumed to be from a Chinese rocket launch that was detected and was being towed by Philippine servicemen at the small outpost at Second Thomas Shoal. The Philippines' complaints over the incident <u>added</u> to the 193 note verbales issued by Manila over Chinese provocations in the South China Sea in 2022.

The Chinese Embassy in Manila strongly disputed a US State Department statement on Dec. 19 supporting the Philippines government in the face of Chinese coercive malfeasance on two matters: 1) A large Chinese Coast Guard ship blocked and harassed a small Philippines supply ship trying to reach the Philippines military outpost on Second Thomas Shoal, and 2) Employing "swarms" of fishing boats including China's Maritime Militia to establish control over disputed South China Sea land features. The boats later were reported to be involved in seabed dredging to expand the size of the locations, recalling Beijing's larger-scale island building a few years ago. Relatedly, the Asia Maritime Transparency Initiative reported that Vietnam had created 1.7 sq km of land among the features it controls in the Spratly Islands during the second half of 2022.

Reinforcing Secretary Austin's concerns in talks with the Chinese defense minister in November, the Indo-Pacific Command released a statement on Dec. 29 sharply <u>critical</u> of an incident on Dec. 21 when a Chinese jet fighter harassed a US reconnaissance plane over the South China Sea and came within 20 feet of the much larger US aircraft, forcing it "to take evasive measures to avoid a collision." A video of the incident also was released. On Dec. 30, the Chinese foreign ministry spokesperson <u>criticized</u> the US account

and on Dec. 31 China's Southern Theater Command spokesperson rebutted the US charges saying that it was the US plane that made a dangerous maneuver that threatened the Chinese fighter aircraft. A Chinese video of the incident also was released.

China-Myanmar Relations

In response to continued unrest and tensions in Myanmar, the UN Security Council approved its first-ever resolution on Myanmar on Dec. 21, calling for an immediate end to violence and urging its military rulers to release all "arbitrarily detained" prisoners including ousted leader Aung San Suu Kyi. The Security Council approved the resolution, with China, Russia, and India abstaining. The latest development comes on the heels of regional frustration over the lack of progress in Myanmar's implementation of ASEAN's plan that junta leaders agreed to in April 2021. During ASEAN summitry in November 2022, regional leaders indicated that they wanted a specific timeline for Myanmar's junta leaders to implement the peace roadmap. Until substantive progress has been made, ASEAN would maintain its ban on Myanmar military-affiliated officials from attending gatherings of the regional bloc. ASEAN leaders also emphasized that they would explore "other approaches" to incentivize change in Myanmar's behavior.

Earlier this year, ASEAN foreign ministers engaged Beijing to support the region's diplomatic efforts in Myanmar. China maintains that it would like to see stability restored in Myanmar, while refraining from directly criticizing the military junta's actions. Stressing that China's "policy of friendship towards Myanmar is for all its people," China's UN Ambassador Zhang Jun said "there is no quick fix" to the crisis, which requires patience, time, and pragmatism for all parties and factions in Myanmar to pursue dialogue and reconciliation. Zhang maintained Beijing's support for ASEAN's diplomacy and for Southeast Asian leaders to forge consensus in managing and resolving the crisis.

In a separate but related issue, local reports indicated that bomb explosions, caused by Myanmar military's firing mortar shells at Rohingya refugees fleeing into Bangladesh, reduced after the Chinese government was informed of the explosions. According to Bangladesh's Foreign Minister AK Abdul

Momen, the explosions along the Myanmar border with Bangladesh abated after his ministry informed Chinese counterparts. Bangladesh also asked for Chinese assistance in relocating more than 5,000 Rohingya to Myanmar. While the extent of China's intervention remains unclear, regional expectations of Beijing's involvement to help stabilize the Myanmar crisis will continue to build.

Assessing China-US Competition in Southeast Asia

Major US studies in the second half of 2022 came to somewhat different conclusions about the state of China-US competition in the region. A Council on Foreign Relations report compared a deteriorating Chinese position over the past five to seven years with what it saw as high points of Chinese positive image and influence in Southeast Asia in the 1990s and early 21st century. The advances were brought about by effective use of soft power initiatives, nuanced promotion of China's development model, increased aid outflows, support for ethnic Chinese in regional countries, and modest and relatively humble diplomacy. The collapse came because of rising Chinese authoritarian rule at home, rigid COVID-19 regulations isolating China, assertive actions on regional disputes, harsh treatment of dissent in Xinjiang and Hong Kong, and assertive wolf warrior diplomacy, all of which offset the billions of dollars the Chinese government spent to promote a positive image in world affairs. In Southeast Asia, the study highlighted a 2022 Institute of Southeast Asian report which showed a remarkably high level of suspicion and worry among Southeast Asian elites over possible Chinese dominance of the region.

An Asia Society report on Chinese diplomacy in Southeast Asia was more positive, concluding that long-term trends favored continued increase of Chinese influence in Southeast Asia relative to other major partners. It argued that what it called a creeping trend of accommodation of China's interests could see Beijing wield a stronger veto power in the region, blocking advances in Southeast Asia's relations with the United States, Japan, and Australia.

In a recent <u>report</u> issued by the *Center for Asia and Globalization* of the Lee Kuan Yew School of Public Policy at the National University of Singapore, key findings reflected the view that Southeast Asian states prefer to avoid becoming entangled in the US-China power play and

competition. The report examined how countries in the region might respond to a crisis in the Taiwan Strait or East China Sea, and the conditions under which the region is more or less likely to engage in these conflicts. Analysis from the comprehensive study indicates that "Southeast Asian elites are fully cognizant of the consequences of a conflict in the East China Sea or across the Taiwan Strait, but they are reluctant to take active measures to prevent conflict and are unlikely to respond forcefully if conflict erupts." It reinforces the view that the region, especially Southeast Asia, continues to emphasize pragmatic engagement with all major powers, including the United States and China, and prefers expanding trade and economic ties that would help increase development and stability within and across the region. The report further concludes that "US [policymakers] lack appreciation for the depth of Southeast Asian preferences for nonalignment, high tolerance for inaction, and disinterest in having agency or taking overt measures to prevent a conflict around Taiwan and the East China Sea."

Pacific Islands: Low-Keyed Chinese Criticism of US Initiatives

Chinese officials remained largely mute about the Pacific Islands and official Chinese commentary was limited. An exception was Foreign Minister Wang Yi's Dec. 25 speech on accomplishments in 2022, which briefly highlighted purported major progress made during his whirlwind visit to the region in May. China's low public posture has prevailed since the setback during Foreign Minister Wang's tour: he sought to persuade island governments on short notice to endorse a Chinese-drafted common regional agreement with China involving sensitive security and other issues, and failed. This initiative came in the wake of China's successful security agreement with the Solomon Islands in April. China's ambitions prompted strong US-led efforts to counter China in the region. They involved a summit in Washington of Pacific Island leaders, a formal US strategy for the region, a roadmap for a whole-ofgovernment US-Pacific Island Partnership in the 21st Century, and establishment of the Partners in the Blue Pacific initiative involving Australia, New Zealand, Japan, and the United Kingdom as well as the US, and focused on development assistance in the region. Public Chinese government responses to these measures was limited to low-level official Chinese commentary criticizing each of the moves as discriminatory against China and not in the overall interests of island nations.

Outlook

Southeast Asian nations will watch carefully how the Chinese and US governments manage tensions amid continued rivalry following the Xi-Biden summit. Since both powers are deeply involved in regional matters, this could lead to positive initiatives from Washington and Beijing to attract ASEAN and its members. But coercive and disruptive great power competition could occur in ways that adversely affect the interests ASEAN and its members, which regional powers have little ability to control.

CHRONOLOGY OF CHINA-SOUTHEAST ASIA RELATIONS

SEPTEMBER — DECEMBER 2022

Sept. 6, 2022: China and Thailand conclude "Exercise Falcon Strike," an 11-day joint air force exercise in northeast Thailand. The drill focuses on deepening practical cooperation and involves deployment of some of China's latest air force assets, including a JH-7AI fighter-bomber, six J-10 fighter jets, and KJ-500 airborne early warning aircraft. The timing of the exercise coincided with another regional military drill, "Super Garuda Shield," hosted by the United States and Indonesia and involves a dozen other countries including Japan, Australia, and Singapore.

Sept. 16, 2022: The 19th China-ASEAN Expo convenes in Nanning, Guangxi, in China. The four-day trade expo seeks to promote regional business and economic cooperation between China and ASEAN. More than 1,000 companies and enterprises from around the region registered to take part in the annual trade fair.

Oct. 30-Nov. 2, 2022: Chinese President Xi Jinping hosts Vietnamese leader and General Secretary of the Vietnamese Communist Party Nguyen Phu Trong. During their summit, both leaders pledge to expand security and economic partnership, including focusing on building a "stable industrial chain and supply chain system." Other highlights of the talks include an agreement to "properly manage" differences and maintain regional stability in the South China Sea.

Nov. 1-2, 2022: Chinese Vice Premier Han Zheng visits Singapore for the 18th Joint Council for Bilateral Cooperation. The two sides sign 19 memorandums of understanding and agreements on issues ranging from public health, tourism exchanges, green financing and development, e-commerce, and innovation cooperation. China and Singapore also agree to speed up negotiations on the China-Singapore free trade agreement and move forward on implementing the Regional Comprehensive Economic Partnership, the world's largest trade agreement that went into effect in 2022.

Nov. 9, 2022: Chinese Premier Li Keqiang visits Cambodia for a six-day visit and delivers a development assistance package of nearly \$30 million while signing 18 agreements on bilateral aid and cooperation on agriculture trade, infrastructure development, public health, and education projects. Following his state visit to Cambodia, Li will stay on for a series of ASEAN meetings with regional leaders.

Nov. 14, 2022: Chinese Ministry of Foreign Affairs <u>clarifies</u> that China's aid to expand and upgrade Cambodia's Ream Naval base reflects a "normal activity of providing assistance," and refutes media reports that the activities are targeted at any third party.

Nov. 18, 2022: President Xi arrives in Bali and holds talks with Indonesian counterpart Joko Widodo. They agree to expand infrastructure and maritime cooperation and deepen "strategic coordination" in regional affairs, especially with regard to building synergy between China's Belt and Road Initiative and Indonesia's Global Maritime Fulcrum, Jakarta's vision to turn the country into a global maritime hub. Xi is in Bali to attend the Group of 20 summit, meeting other world leaders, including US President Joe Biden.

Nov. 20, 2022: Philippine Navy rubber boats and Chinese Coast Guard inflatable boats <u>engage</u> in an encounter concerning rocket debris that the Philippine Navy found floating off the coast of Thitu Island in the Spratlys. The Chinese Coast Guard crew members were seen cutting the towing line the Philippine Navy officers had placed to retrieve the rocket debris.

Nov. 24, 2022: 9th ASEAN Defense Ministers' Meeting-Plus (ADMM-Plus) <u>convenes</u> in Siem Reap, Cambodia, where regional defense chiefs adopt a joint declaration to promote peace and security in the region. The declaration reaffirms the ADMM-Plus countries' commitment to promoting regional stability by reinforcing strategic trust and mutual confidence.

Nov. 26, 2022: Malaysia's new prime minister, Anwar Ibrahim, says he will continue to maintain stable ties with China as he seeks to emphasize economic engagement, while avoiding confrontation on contentious issues. When asked to comment on how his government will manage foreign policy issues, Anwar indicates that he would continue to pursue positive and pragmatic ties with the United States and China.

Nov. 30, 2022: Laotian President Thongloun Sisoulith <u>visits</u> Beijing and meets his Chinese counterpart Xi Jinping. The two heads of state agree to deepen bilateral ties in the areas of law enforcement, and defence cooperation, as well as economic, trade, and investment exchanges.

Dec. 8, 2022: A senior Philippine foreign affairs official shares that ASEAN member states and China are negotiating the Code of Conduct in the South China Sea "very seriously, very delicately," with the conclusion of the second reading of the document in sight. Noel Novicio, Philippines' Deputy Assistant Secretary for Foreign Affairs and Executive Director for ASEAN Affairs, cautions that in spite of the progress, the final text and substantive aspects of the Code of Conduct remain far from being finalized.

Dec. 16, 2022: Philippines <u>lodges</u> formal complaints against and criticisms of China's latest incursions in the South China Sea, during which Chinese vessels entered disputed waters around the Iroquois Reef and Sabina Shoal in early December, just weeks after an encounter between the Philippine Navy and the Chinese Coast Guard.

Dec. 29, 2022: President of the Philippines Ferdinand Marcos Jr. <u>announces</u> that he will visit China in early January 2023 amid tension and disputes in the South China Sea. The Philippines Department of Foreign Affairs announces that during the visit, both sides will sign an agreement to open direct communication lines and avoid tensions and accidents in the South China Sea.



COMPARATIVE

CONNECTIONS

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

CHINA- TAIWAN RELATIONS

TENSIONS INTENSIFY AS TAIWAN-US IT COOPERATION BLOSSOMS

DAVID J. KEEGAN, JOHNS HOPKINS SCHOOL OF ADVANCED INTERNATIONAL STUDIES KYLE CHURCHMAN, JOHNS HOPKINS SCHOOL OF ADVANCED INTERNATIONAL STUDIES

In the wake of then US Speaker of the House Nancy Pelosi's visit to Taiwan in August, China's extensive military exercises continued to impose a more threatening "new normal" in the Taiwan Strait. Taiwan continued to be the focus of heated public exchanges between the US and China. US President Biden said, for a fourth time, that the US would defend Taiwan and added an inflammatory codicil that independence was for Taiwan to decide. At the 20th Congress of the Chinese Communist Party, General Secretary Xi Jinping promised China would strive for peaceful reunification with Taiwan but would not renounce use of force. On Dec. 23, Biden signed the Taiwan Enhanced Resilience Act and a State Department appropriation providing \$2 billion in loans for Taiwan to purchase US equipment. Two days later, China sent 71 military aircraft and seven ships to intimidate Taiwan, its largest–ever one–day exercise near the island. Two days later, Taiwan President Tsai Ing–wen announced that Taiwan would extend its military conscription to 12 months. TSMC formally broke ground for the first of two factories in the US, a \$40 billion investment.

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The new year will see Taiwan's DPP and KMT parties launch their presidential election campaigns, debating visions for cross-Strait defense, dignity, and dialogue as the Chinese military appears determined to intensify its intimidation.

Chinese Military Continues Daily Intimidation and Taiwan Responds

The Peoples Liberation Army (PLA) Air Force flew over 430 sorties into Taiwan's Air Defense Identification Zone (ADIZ) in August 2022, according to Taiwan's Ministry of National Defense daily Twitter announcements. Chinese spokesmen made clear that they were acting in response to the visit to Taiwan of US Speaker of the House Nancy Pelosi. In succeeding months, this high rate of PLA Air Force intrusions diminished but remained higher than previous months. Taiwan's Ministry of National Defense (MND) reported over 190 aircraft intrusions in September, 96 in October, 170 in November, and 206 in December. Taiwan's MND also reported that the People's Liberation Army Navy routinely stations four or five vessels in the Taiwan Strait and along Taiwan's east coast in an apparent effort to intimidate Taiwan and perhaps harass or even interdict commercial traffic to Taiwan. Taiwan Foreign Minister Joseph Wu warned that China may be using the growing number of intrusions into Taiwan's ADIZ to justify future attacks.

On Dec. 25, the PLA Air Force sent 47 aircraft into the Taiwan ADIZ and across the median line in the Taiwan Strait. This is the largest number of flights into Taiwan's ADIZ since the 49 intrusions on Aug. 5 in the wake of the Pelosi visit, and the second highest number ever in a single day. The PLA Eastern Theater Command announced it was conducting "joint combat readiness patrols and joint firepower strike drills of all armed forces in the sea and airspace around Taiwan" as a "resolute response to the current US-Taiwan escalation and provocation." This "escalation and provocation" was widely understood to be US President Joseph Biden's signing the Taiwan Enhanced Resilience Act and Defense Appropriations Act, which together provided for \$2 billion in loans for Taiwan to buy US military equipment. In the past, such large military activities were explained as a response to Taiwan provocations. This event, following the exercises after Pelosi's visit, means that for the second time in a row the PLA justified exceptionally large military exercises near Taiwan as a response to a US provocation rather than a Taiwan provocation.

According to Taiwan's MND, China also uses a variety of "civilian aircraft, weather balloons, recreational fishing boats, and marine research vessels for military purposes around Taiwan" in addition to civilian drones seen over Taiwan's islands of Kinmen and Matsu, which are near the Chinese coast. This parallels China's longstanding use of civilian fishing boats in the South China Sea to harass foreign civilian and naval vessels. In response to the intrusion of Chinese civilian drones into the airspace over Taiwan's islands, Taiwan's MND authorized the military to shoot down such aircraft if efforts to warn them off fail, and on Sept. 1, Taiwanese troops shot down a Chinese drone over a small island near Kinmen.

Taiwan Minister of National Defense Chiu Kuocheng informed the Legislative Yuan on Oct. 5 that Taiwan would consider any intrusion into its territorial waters or airspace as a first strike and respond accordingly, presumably shooting at them if necessary. Although shooting a Chinese civilian drone over an offshore island has provoked little reaction, this announcement by the MND that it reserved the right to shoot down PLA aircraft or vessels in its territorial waters or airspace marks a step into new and more dangerous territory. Despite their increasing frequency and expanded variety of platforms, PLA military activity since August appears to have roused little reaction among the Taiwan leadership or public. If China is seeking to intimidate Taiwan, so far it has had little success.

Since the Pelosi visit, the US Navy has continued its regular Taiwan Strait transits as part of its Freedom of Navigation Operations (FONOPS), in at least one case accompanied by a Canadian naval vessel. The US has approved six arms sales to Taiwan since Sept. 1, with an estimated value of over \$1.7 billion, including Harpoon anti-ship missiles, Sidewinder short-range air-to-air missiles, and Volcano anti-tank mines.

Taiwan's Defense Faces Challenges

The first challenge is increasing its defense budget. Taiwan Premier <u>Su Tseng-chang announced</u> that Taiwan would increase its defense budget by 12.9% next year, as many had urged, in addition to the special budgets Taiwan uses to fund many of its acquisitions. A heated

debate continues over the second challengehow it should allocate those funds. The US insists that Taiwan focus its acquisitions on small mobile and lethal weapons to mount an asymmetric defense, and that it reserves the right not to sell systems it concludes will not strengthen Taiwan's defenses. MND insists that there is a continuing value in large platforms such as navy ships, combat aircraft, and army tanks to deter intimidation and gray-zone warfare. For example, Taiwan committed to begin building eight light frigates to be ready by 2026 and promised that its first domestically produced submarine will be ready by September 2023. Even if Taiwan can agree with the US on what systems to buy, it still confronts a third challenge—delays of a year or more before some weapons will be available due to US arms transfers to Ukraine.

On Dec. 27, Taiwan President Tsai Ing-wen laid out her solution to the fourth of Taiwan's most serious defense challenges: conscription from four months to a year starting in 2024. Conscripts will participate in a more rigorous training program, and after their conscription is finished will go into reinvigorated reserve and civil defense units. This will free Taiwan's main military units, staffed with volunteers, to focus on their combat missions. It is estimated that these steps will increase Taiwan's military personnel from 215,000 to approximately 275,000. However, implementing this new conscription, training, and reserve strategy will require Taiwan's military to dramatically expand and improve training for conscripts, reducing military preparedness in the short term. Many are skeptical this is possible.



Figure 1 Taiwan President Tsai Ing-wen inspects drills at a military base on Jan. 6, 2023 as China protests the passage of a US Navy destroyer through the Taiwan Strait. Photo: Taiwan Presidential Office via AP

Rhetorical Tensions Intensify

On Oct. 27, the US Department of Defense published its 2022 National Defense Strategy, pledging to continue support for Taiwan's development of asymmetric defense capabilities. On Nov. 29, DOD issued its annual report on China's military power, which described (pp. 125-130) China's continuing efforts to build a military that can intimidate and coerce Taiwan into accepting Chinese rule if it refuses to accept Chinese demands for reunification peacefully. The commander of the US Navy's Seventh Fleet expressed concern that China is quickly developing the ability to blockade Taiwan. Chairman of the Joint Chiefs of Staff Gen. Mark Milley cautioned that "a Chinese invasion of Taiwan would be a strategic mistake." In its report, the United States-China annual Economic and Security Review Commission (USCC) recommended (p. 735) that the United States create an interagency committee under the president to develop options and plans for sanctioning China in the event of hostile actions against Taiwan.

President <u>Biden rebuked</u> China, though not by name, for threatening cross-Strait stability in his annual speech to the United Nations General Assembly on Sept. 21. A few days later, <u>Biden reiterated</u> for the fourth time as president that the US would intervene to defend Taiwan if China attacked unprovoked. This onslaught of activities, reports, and pronouncements was undoubtedly read in Beijing as more confirmation that any military action against Taiwan would be countered by the US despite its insistence that it has not abandoned its "one China Policy" or "strategic ambiguity."

In his UNGA speech, Chinese Foreign Minister Wang Yi called Taiwan an "inseparable part of China's territory since ancient times." In a speech to the Asia Society, Wang accused the US of "interference and connivance" in supporting Taiwan independence in violation of its pledges to China. Although Biden promised to use his meeting with Chinese President Xi Jinping at the G20 in Bali to help both sides understand each other's red lines, Biden insisted he would not make "any fundamental concessions," while Foreign Minister Wang countered afterward that Taiwan remains "the core of the core interests of China" and the "bedrock of US-China relations."

Xi Jinping <u>addressed Taiwan</u> in his report to the 20th Congress of the Communist Party of China,

echoing many themes from previous reports. He called for peaceful reunification based on "one country, two systems," ignoring that this approach has virtually no support in Taiwan. He said that "fellow Chinese on both sides of the Taiwan Strait are one family bound by blood" and insisted that "Taiwan is China's Taiwan," warning that China "would never promise to renounce the use of force." Yet he offered no deadlines or sense of urgency, concluding instead that "the wheels of history are rolling on toward China's reunification and national rejuvenation." The Congress also approved an amendment to the Party Constitution that promised that the Party would oppose Taiwan independence and achieve reunification by implementing "one country, two systems." Neither Xi's report nor the constitutional amendment changed Chinese policy, but they did underscore that Xi has made reunification central to his vision of national rejuvenation.



Figure 2 Chinese President Xi Jinping at the end of the opening ceremony of the 20th National Congress of the Communist Party of China on Oct. 16, 2022. Photo: Thomas Peter/Reuters

Perhaps the least dramatic major cross-Strait statement of the last four months came from Taiwan President Tsai on the Oct. 10 Republic of China National Day. In her speech Tsai called it "regrettable" that "the Beijing authorities" have tried to intimidate Taiwan and "threatened the status quo of peace and stability in the Taiwan Strait." She rejected Beijing's threats of "armed confrontation" and called for seeking "a mutually agreeable arrangement" based on "rationality, equality, and mutual respect." China's Taiwan Affairs Office Spokesperson Ma Xiaoguang responded that President Tsai "distorted the nature of cross-Strait relations." Ma insisted that recognition of the 1992 Consensus remains a precondition for any cross-Strait dialogue.

Local Elections Highlight Cross-Strait Differences

On Nov. 26, Taiwan held its island-wide local elections, called the nine-in-one elections because they elect nine different levels of local leaders and council members across cities and counties of Taiwan. The Nationalist or Kuomintang (KMT) Party went into these local elections, conducted every four years, holding 14 mayoral or county magistrate seats and emerged with 14 while the DPP emerged with five, a loss of one. A referendum measure, supported by the DPP, would have reduced the minimum age for voting from 21 to 18, won a plurality but failed to secure the half of all eligible voters required for approval under Taiwan law. The KMT celebrated the local elections as a major victory, and the DPP chairman, President Tsai, resigned to accept responsibility.

Many had expected the DPP to do better because opinion polls have consistently shown more Taiwanese identify with the DPP and because Tsai has been far more popular than she was going into the last round of local elections in 2018. The DPP tried to make this election a vote in support for the DPP's policy of cross-Strait confrontation. However, the large number of KMT incumbents and their high approval ratings proved crucial in an election that appears to have been decided on local issues. Looking beyond the headline races, it appears that both the KMT and the DPP secured roughly the same vote percentages as in 2018 (the KMT votes increased 1.35% and DPP votes increased 2.41%). Four vears ago, similar local election results led to predictions that Tsai would fail to win a second term. Instead, she won with the highest vote total ever in the 2020 presidential elections by campaigning against China. Looking toward the 2024 presidential elections, Tsai is ineligible to run again, so both the DPP and the KMT will be fielding new candidates at a time when cross-Strait tensions are rising.

Current Vice President Willian Lai Ching-te appears to be the most likely DPP candidate. He has long described himself as a worker for Taiwan independence, but he has used a series of interviews and press statements to portray himself as another Tsai Ing-wen, a tough and responsible leader who will stand up to Chinese intimidation without doing anything destabilizing. KMT party chairman Eric Chu Lilun has said that his party will ensure Taiwan has a strong defense while seeking to open a dialogue

with leaders in Beijing. That dialogue itself may be fraught with risks. As we described in our last article, the vice chair of the KMT, Andrew Hsia, met in China with senior Communist Party officials at the same time China was conducting military exercises in the wake of the Pelosi visit. On Oct. 16, China's official Xinhua news service reported that the KMT, which it described as a political party from the "Taiwan region," sent a congratulatory message to the Communist Party on its 20th Party Congress. According to Xinhua, the KMT message conveyed its commitment to the 1992 Consensus and its opposition to Taiwan independence. The KMT did not release its message to the Taiwan media, although KMT chairman **Chu told** reporters that such messages were common practice. Others wondered why the KMT was congratulating the Communist Party two months after Xi Jinping, whom the party reelected as general secretary, had directed the Chinese military to conduct exercises to intimidate Taiwan.

Washington and Taipei Advance New Trade Initiative

US and Taiwan trade officials met in New York City in early November to exchange views on the 11 trade areas under the Initiative on 21st Century meetings involved two-day Trade. The representatives from multiple US and Taiwan government agencies and yielded constructive progress, according to the United States Trade Representative (USTR) readout and Taiwan's Executive Yuan press statement. The following week, US Trade Representative Katherine Tai and counterpart Minister John Deng met on the margins of the APEC summit in Bangkok, where they agreed to another extended meeting of their negotiating teams very soon.

Taipei wants a comprehensive agreement by November 2023, when the US hosts the APEC summit in San Francisco, and is keen to sign interim agreements as soon as text is finalized for specific trade areas. Taipei is cautiously hopeful the Initiative on 21st Century Trade could become a stepping stone for negotiating a bilateral trade agreement (BTA) in 2023, provided the Biden administration puts market access and tariff elimination on the negotiating table. In 2022, trade between the US and Taiwan expanded over 15% compared to 2021, itself a record year for two-way trade.

US Congress Provides Weapons Funding for Taiwan

In September, the Senate Foreign Relations Committee (SFRC) advanced the Taiwan Policy *Act* after removing provisions that had concerned the White House, such as designating Taiwan a major non-NATO ally and granting Taiwan's defacto embassy in Washington a new name suggestive of official diplomatic relations. Later in the fall, SFRC Chairman Bob Menendez and other senators placed several, but not all, provisions of the Taiwan Policy Act in a new package, the Taiwan Enhanced Resilience Act (TERA), and attached it to the must-pass annual National Defense Authorization Act, the NDAA. A central element of TERA is \$2 billion in annual grants for Taiwan to purchase US military equipment. However, the NDAA authorizes new programs but does not appropriate taxpayer money.

In December, the Senate unveiled an omnibus appropriations bill that specifies the \$2 billion for Taiwan in FY 2023 would be loans, not grants. Taipei Economic and Cultural Representative Office (TECRO), Taiwan's office in Washington, <u>expressed</u> Taipei's strong preference for grant assistance. In the end, Taiwan's rich-country status and budget pressures on the State Department, from whose account the Foreign Military Financing (FMF) grants would be drawn, apparently led to the decision to provide loans, which need to be repaid within 12 years if disbursed. Even so, this action marks the first instance the US government is offering Taiwan weapons funding of any sort since 1979. President Biden signed the 2023 NDAA on Dec. 23 and the omnibus appropriation on Dec. 29.

Indo-Pacific and European Powers Deepen Their Stake in Cross-Strait Stability

Undeterred by Beijing's reaction to the Pelosi lawmakers from across Western democracies continued to visit Taiwan. In October, a group of Canadian parliamentarians and two delegations from the German Bundestag separately visited Taiwan for meetings with President Tsai and top officials. In early December, Haguida Koichi, the policy chief of the LDP, become the most senior Japanese lawmaker to visit Taiwan in almost two decades. Later in December, a delegation of the trade committee of the European Union Parliament arrived in Taiwan to breathe new life into a prospective EU-Taiwan investment agreement.



Figure 3 Taiwan President Tsai Ing-wen stands next to Koichi Hagiuda, policy chief for Japan's Liberal Democratic Party (LDP), as they pose for a picture during their meeting in Taipei on Dec. 10, 2022. Photo: Taiwan Presidential Office/Handout via Reuters

In late November, Canada's government unveiled its Indo-Pacific strategy, which calls for the deployment of additional Canadian military assets to the region. After the document's release, Canada's foreign minister said more Canadian warships will sail through the Taiwan Strait. In December, Japan unveiled a landmark national security strategy that calls for the doubling of defense spending through 2027 and the acquisition of counterstrike capabilities. The document labels Taiwan an "extremely important partner" and "a valued friend" of Japan.

The Philippines, Taiwan's southern neighbor, is also making a pivot under the new administration of Ferdinand "Bong Bong" Marcos, claiming a Philippine stake in cross-Strait stability. Marcos discussed Taiwan tensions with US Vice President Kamala Harris, who visited Manila in late November. Since assuming the presidency in June, Marcos has expressed concern about rising tensions in the Taiwan Strait, in contrast with the silence of his predecessor, Rodrigo Duterte. The Marcos government is reportedly in discussions with Washington about granting the US military access to five bases on the northern tip of Luzon, 150 miles from Taiwan.

TSMC Triples Investment at Arizona Manufacturing Site

The Taiwan Semiconductor Manufacturing Company (TSMC), the crown jewel of Taiwan's semiconductor industry, <u>announced</u> in December that it would expand its manufacturing footprint in Phoenix to churn out

even more advanced chips. TSMC had already committed \$14 billion in 2019 to manufacture 4nanometer chips at the Arizona site, with production slated for 2024. TSMC will now invest another \$24 billion to build another semiconductor fabrication plant (fab) for more powerful 3-nanometer chips, with production expected for 2026. The combined investment of nearly \$40 billion is one of the largest by a foreign direct investor in US history. Underscoring its significance, President Biden attended the "tool-in" ceremony in Phoenix on Dec. 6, where he called TSMC's investment a potential "gamechanger" and tied it to US economic prosperity and security.



Figure 4 US President Joe Biden and Taiwan Semiconductor Manufacturing Company Chairman Mark Liu after touring the TSMC facility under construction in Phoenix, Arizona. Photo: Ross D. Franklin/AP

TSMC's decision has heightened concerns among some in Taiwan who fear the island's semiconductor industry is being hollowed out as the US and EU push to onshore production. These concerns appear unfounded because TSMC will keep the bulk of its leading chip production on the island. The company has already completed construction of two giga-fabs in Taiwan that will begin mass production of 3-nanometer chips in 2023, three years ahead of the smaller Arizona plant. In addition, construction is underway for a cutting-edge 2-nanometer fab in Hsinchu.

TSMC's choice to expand its US presence occurs against the backdrop of an intensifying US-China battle over semiconductor technology. On October 7, the US Commerce Department announced sweeping controls on the export of advanced chips, chipmaking equipment, and software to China. Consequently, TSMC and other Taiwan foundries must restrict chips sales to China under a certain threshold or risk losing access to vital US technology used in manufacturing. Around 60% of Taiwan's total

chip exports go to China, primarily for electronics assembly and packaging. While most of those exports appear unaffected by the Oct. 7 sanctions, the rules could be further tightened and force Taiwan's semiconductor industry to make a starker choice between US and Chinese customers.

Looking Ahead

The coming months offer little hope that cross-Strait tensions will ease. The KMT and the DPP will both begin the process of selecting presidential and vice presidential candidates for the January 2024 national election, with final selections likely by May or June. Both parties will begin positioning themselves as the ones most capable of defending Taiwan and dealing with the mainland, with all the potentially inflammatory rhetoric that debate may entail. Beijing will be tempted to insert itself in the election as it has so often in the past, likely on the side of the KMT, perhaps through statements or perhaps through military intimidation it blames on the DPP. Almost as plausible is the possibility that the KMT will try to reposition itself as more anti-Beijing, perhaps emphasizing the distinct identity of the Republic of China in ways that lead to the Chinese leadership to conclude that neither the DPP nor the KMT is a partner with which it can hope to pursue cross-Strait dialogue on one China.

Bipartisan support for Taiwan in the US Congress is likely to grow even stronger in 2023. Having won the majority in the House of Representatives in the November elections, the Republicans have announced that they will set up a Select Committee on China that is likely to push for more robust security assistance for Taiwan. Components of the Taiwan Policy Act, such as sanctions against CCP elites and entities who commit hostile actions against Taiwan, which did not survive in the NDAA, will move through the legislative process in the House, though their fate in the Democratically controlled Senate remains unclear. Kevin McCarthy, who is competing to be the next House Speaker, has hinted at a possible visit to Taiwan in 2023. Several observers see the trip as likely, and it would come during Taiwan's politically charged election season. It seems likely that Beijing will respond more harshly than it did to Pelosi's visit. If that response emphasizes military maneuvers near Taiwan, the dangers grow of an accident that could trigger a cross-Strait military crisis and involve the US.

CHRONOLOGY OF CHINA-TAIWAN RELATIONS

SEPTEMBER—DECEMBER 2022

- **Sept. 2, 2022:** US Defense Security Cooperation Agency (DSCA) announces three arms sales approval for Taiwan with a total value of \$1.1 billion. Included are equipment for surveillance radar, *Harpoon* air-to-ground missiles, and *Sidewinder* air-to-air missiles.
- **Sept. 14, 2022.** Taiwan's Ministry of Justice reports that the FBI opened an office at the American Institute in Taiwan (AIT). According to the FBI, its operation at AIT <u>is a suboffice</u> of its office in Hong Kong.
- **Sept. 16, 2022:** China's Foreign Ministry announces sanctions against the CEOs of Raytheon Technologies and Boeing Defense, Space, and Security in apparent retaliation for the US sale of the two companies' weapons systems to Taiwan on September 2.
- **Sept. 18, 2022:** In response to a question, US President Joseph <u>Biden says</u> "We're not encouraging their being independent. ... that's their decision." When asked "Would US forces defend the island?" Biden responds "Yes, if in fact there was an unprecedented attack."
- **Sept. 18, 2022:** Two Chinese military drones, the CH-4 and the WZ-7, are reported to have <u>flown</u> near Taiwan for the first time.
- Sept. 23, 2022: US Secretary of State Antony Blinken meets Chinese Foreign Minister Wang Yi on the margins of the UN General Assembly. Blinken called for cross-Strait peace and stability, while Wang warned the US to stop supporting Taiwan independence.
- **Sept. 28, 2022:** Paraguay President Mario Abdo Benítez <u>calls</u> on Taiwan to invest \$1 billion in his country to justify diplomatic relations between Asunción and Taipei. Paraguay, a major exporter of soybeans and other agricultural products, remains cut off from the lucrative China market.
- **Sept. 30, 2022:** In Taipei, the US government convenes a preliminary meeting of "Chips 4," a new working group of the US, Japan, South

- Korea, and Taiwan intended to strengthen semiconductor supply chain resiliency and cooperation.
- **Oct. 3, 2022:** US Assistant Secretary for East Asian and Pacific Affairs Daniel Kritenbrink tells the Institute for Korean-American Studies that the US disputes China's claim over the Taiwan Strait and opposes any attempt to change the fact that the Taiwan Strait is international waters.
- Oct. 4, 2022: Taiwan Premier Su Tseng-chang announces the 2023 defense budget will increase by 12.9% (\$1.5 billion) over 2022. Including anticipated special budgets, the 2023 defense budget will be 13.9% (\$2.25 billion) more than that of 2022.
- **Oct. 7, 2022:** US Commerce Department imposes sweeping export controls against China's semiconductor industry, affecting both US chip design firms and Taiwan suppliers using American technology like TSMC.
- Oct. 10, 2022: Taiwan's Minister of Economic Affairs Wang Mei-hua leads a business delegation to the US for the first in-person meeting of the Technology Trade and Investment Collaboration (TTIC) framework. US and Taiwan companies sign agreements spanning the renewable energy, 5G, and healthcare sectors.
- **Oct. 12, 2022:** White House releases its *National Security Strategy*, which <u>says</u> (p. 24) "We oppose any unilateral changes to the status quo from either side, and do not support
- Taiwan independence. We remain committed to our one China policy ... And we will support Taiwan's self-defense and ... maintain our capacity to resist any resort to force or coercion against Taiwan."
- **Oct. 13, 2022:** Taiwan media outlets report that TSMC has obtained a waiver from new US export controls targeting China's semiconductor industry. TSMC can continue to import chip

manufacturing equipment for its foundry in Nanjing producing 16 nm nodes for 12 months.

Oct. 25, 2022: Taiwan's Ministry of Economic Affairs approves Taiwanese chipmaker United Microelectronics Corporation to procure 30% of shares in United Semiconductor Xiamen. After the sale, USCXM will become a fully owned subsidiary of UMC.

Oct. 26, 2022: Secretary of State <u>Blinken says</u> that China has abandoned a decades-old understanding with the US and decided that the cross-Strait status quo is no longer acceptable.

Oct. 27, 2022: US Department of Defense <u>releases</u> its *National Defense Strategy*, which says (p. 15) "[t]he Department will support Taiwan's asymmetric self-defense commensurate with the evolving PRC threat and consistent with our one China policy."

Nov. 4, 2022: Foreign ministers of Canada, France, Germany, Italy, Japan, Britain, and the US <u>include Taiwan</u> in their G7 meeting statement, saying they "reaffirm the importance of peace and stability across the Taiwan Strait and call for the peaceful resolution of cross-Strait issues."

Nov. 9, 2022: United States and Taiwan conclude first round of negotiations under the US-Taiwan Initiative on the 21st-Century Trade Initiative. China's Taiwan Affairs Office (TAO) Spokesperson Ma Xiaoguang criticizes the negotiations as a step toward Taiwan independence.

Nov. 14, 2022: Presidents Biden and Xi Jinping meet ahead of the G20 summit in Indonesia. Biden asserts US opposition to any unilateral change in the status quo between Taiwan and China, and Xi calls the Taiwan question "the core of the core interests of China."

Nov. 17, 2022: Taiwan's MOEA bans Chinese-funded companies from operating research and development (R&D) offices in Taiwan, either directly or via a third-party.

Nov. 26, 2022: Taiwan's opposition Nationalist (Kuomintang or KMT) Party scores a major victory over President Tsai Ing-wen's Democratic Progressive Party (DPP) in islandwide local elections. These elections mark the unofficial beginning of the presidential election

campaign with the election scheduled for January 2024.

Nov. 27, 2022: Congressional and other sources <u>claim</u> that weapons deliveries to Taiwan amount to \$18.7 billion, up from more than \$14 billion a year earlier. Nonetheless, they express concern that the Ukraine conflict has delayed deliveries of 208 *Javelin* antitank weapons and 215 surface-to-air *Stinger* missiles, both ordered in 2015.

Dec. 1, 2022: Taiwan company Global Wafers, the world's third-largest silicon wafer manufacturer, <u>breaks ground</u> on a new \$5 billion facility in Sherman, Texas, the first silicon wafer factory to be built in the United States in more than 20 years.

Dec. 5, 2022: Director of the Hsinchu Science Park in Taiwan <u>announces</u> that the Taiwan Semiconductor Manufacturing Company (TSMC) will build a plant at the park to produce 1-nanometer (nm) semiconductors.

Dec. 6, 2022: TSMC holds the "tool-in" ceremony for its new plant in Phoenix, Arizona, to produce 4nm chips. President Biden, TSMC founder Morris Chang, and Apple CEO Tim Cook are in attendance. TSMC announces it will build a second plant in Arizona to produce 3nm chips. The expected total investment for the two plants is \$40 billion.

Dec. 6, 2022: US Defense Security Cooperation Agency (DSCA) announces two arms sales approvals for Taiwan, with a total value of \$428 million, which includes spare parts for the *F-16 Fighting Falcon*, Indigenous Defense Fighter, and C-130 military transport aircraft. China's Taiwan Affairs Office warns that the decision "represents conniving and supporting the 'Taiwan independence' forces, as well as undermining peace and stability across the Taiwan Strait."

Dec. 6, 2022: US and Australia reiterate, at the conclusion of their annual foreign and defense ministerial talks, that they strongly oppose China's "destabilizing" actions in the region and support upholding peace and stability across the Taiwan Strait. The two describe Taiwan as a leading democracy, an important regional economy, and a key contributor to critical supply chains, adding that they are committed to working together to support Taiwan's

meaningful participation in international organizations.

Dec. 7, 2022: Taiwan's Ministry of National Defense reports that AGM-88 high-speed anti-radiation missiles purchased in 2017 and scheduled to be delivered in 2023 have already arrived.

Dec. 7, 2022: Global Cooperation and Training Framework (GCTF) has convened seven workshops in 2022, according to a joint statement issued by Taiwan's MOFA, AIT, and the diplomatic offices of Japan and Australia in Taipei. The GCTF, established in 2015, is a platform for Taiwan to address global challenges and share expertise alongside the US, Japan, Australia, and other likeminded partners.

Dec. 9, 2022: China suspends beer, liquor, beverage imports from Taiwan after customs authorities earlier banned Taiwanese seafood imports.

Dec. 12, 2022: Kinmen County Magistrate-elect Chen Fu-hai, Lienchiang County Magistrate-elect Wang Chung-ming, and KMT Legislator Jessica Chen visit Chinese officials in Xiamen to discuss Beijing's recent ban on Taiwan liquor and the future development of "mini-three links" travel.

Dec. 12, 2022: US State Department Deputy Assistant Secretary Tony Fernandes <u>arrives</u> in Taiwan to participate in third annual US-Taiwan Economic Prosperity Partnership Dialogue (EPPD).

Dec. 14, 2022: Rhodium Group <u>estimates</u> that a blockade of Taiwan could lead to \$2 trillion in global economic losses. The US State Department previously <u>shared</u> Rhodium's findings with EU officials as Washington and Brussels discuss ramifications of a possible attack on Taiwan, according to *Financial Times*.

Dec. 22. 2022: Taiwan's Cabinet decides to resume the "mini-three links" ferry services between China and Taiwan's offshore islands of Kinmen and Matsu from Jan. 7 to Feb. 6, 2023. Passengers will be limited to Kinmen and Matsu residents and spouses from mainland China.

Dec. 23, 2022: President Biden signs the FY 2023 National Defense Authorization Act (NDAA), which includes the *Taiwan Enhanced Resilience*

<u>Act</u> (TERA), which provides \$10 billion in grants to Taiwan for purchasing US military equipment. This is then reduced to \$2 billion in loans in the Department of Defense appropriation.

Dec. 25, 2022: Seventy-one Chinese military aircraft and seven Chinese naval vessels <u>conduct maneuvers</u> around Taiwan in the second largest ever single-day Chinese military display of intimidation against Taiwan and US support for Taiwan.

Dec. 27, 2022: <u>President Tsai announces</u> that conscription for all young men born after 2005 will be extended from 4 to 12 months beginning in 2024. This reform will strengthen Taiwan's reserve and civil defense units.

Dec. 28, 2022: US <u>authorizes</u> the sale to Taiwan of *Volcano* (vehicle-launched) antitank minelaying systems, valued at \$180 million.

Dec. 29, 2022: Song Tao <u>is appointed</u> head of the State Council's Taiwan Affairs Office, replacing Liu Jieyi. Song served as head of CCP's International Liaison Department since 2015.



COMPARATIVE

CONNECTIONS

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

NORTH KOREA-SOUTH KOREA RELATIONS

DRONES IN A DARKENING SKY, TACTICAL NUKE TALK: PYONGYANG'S PROVOCATIONS ESCALATE

AIDAN FOSTER-CARTER, LEEDS UNIVERSITY, UK

The main feature of inter-Korean relations in the last four months of 2022 was varied and ever-increasing provocations by Pyongyang. Besides multiple missiles, there were artillery volleys and an incursion by five drones. Kim Jong Un also ramped up his nuclear threats, in theory and practice. A revised law widened the scope of nuclear use, while a new stress on tactical weapons was matched by parading 30 new multiple launch rocket systems (MLRs) which could deliver these anywhere on the peninsula. The government of South Korea President Yoon Suk Yeol for his part reinstated officially calling North Korea an enemy, and revived concern with DPRK human rights. As the year turned, his government was mulling retaliation for the drone incursions; that could include scrapping a 2018 inter-Korean military accord, a dead letter now due to Pyongyang's breaches. With tensions rising, the new year ahead may be an anxious one on the peninsula.

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A Provoking Period

A single word sums up inter-Korean relations during the last third of 2022: provocation. Not that provocations—by the usual suspect, usually—are anything new on the peninsula. But rarely if ever has North Korea needled the South so intensely, intently, and systematically as in recent months. Not only did the frequent missile launches seen throughout 2022 continue, but the North added several new twists. These included: a missile fired unprecedentedly close to Southern waters; artillery volleys into coastal seas near the Demilitarized Zone (DMZ), on the DPRK side but in clear breach of September 2018's inter-Korean military agreement; a claimed spy satellite, cheekily taking poor-quality aerial photos of Seoul and Incheon; and then the pièce de résistance, brazenly sending five drones across the DMZ for five hours on Dec. 26.

North Korea would doubtless argue that it is the one being provoked. Thus its largest launch of missiles in a single day—23, on Nov. 2—was a riposte to the largest-ever joint US-ROK aerial exercises, *Vigilant Storm*. But that in turn was prompted by Pyongyang's having tested missiles with unprecedented intensity throughout 2022—beginning when Moon Jae-in, the friendliest ROK leader Kim Jong Un could ever hope for, was still in the Blue House.



Figure 1 US F-16's and B-1B bombers are joined by Republic of Korea F-35A's in a combined training flight during the joint exercise Vigilant Storm. Photo: US Air Force photo by Staff Sergeant Dwane Young

The North's Nuclear Threat Goes Local

Of especial concern to South Korea was the North's heightened emphasis on nuclear weapons—especially "tactical nukes," as Pyongyang calls them, whose targets are explicitly local. In September, the Supreme People's Assembly (SPA) passed a new law,

replacing a shorter 2013 statute, reaffirming the DPRK's status as a nuclear weapons state. This codifies the DPRK military's "right" to launch preemptive nuclear strikes "automatically and immediately" in case of an imminent attack against its leadership or "important strategic objects."

A defiant Kim Jong Un dared the US to maintain economic sanctions for "a thousand years...There will never be any declaration of 'giving up our nukes' or 'denuclearization,' nor any kind of negotiations or bargaining...As long as nuclear weapons exist on Earth and remains...our road imperialism towards strengthening nuclear power won't stop." In similar vein, as the year ended Kim called South Korea "our undoubted enemy," adding that this fact "highlights the importance and necessity of a mass-producing of tactical nuclear weapons and calls for an exponential increase of the country's nuclear arsenal." He could hardly be clearer.

Yoon on the Back Foot

As doubtless intended, Pyongyang's persistent provocations put Seoul on the spot. Yoon Suk Yeol—the ROK's still newish conservative president, who took office in May (as discussed in our last issue)—would rather ignore the North, if only he could. Witness his speech in Sept. to the UN General Assembly (UNGA). In sharp contrast to his liberal predecessor Moon Jae-in, who always bent every foreign ear he could about a Korean peace process which (sad to say) after 2019 existed only in his mind, Yoon's UN speech made no mention whatever of North Korea or the peninsula, focusing rather on universal and global themes.

Yoon did have some prior policy commitments regarding the North. One might be called, in the spirit of Confucius, "rectification of names." Early on, his transition team pledged to redesignate North Korea as an "enemy" in the ROK's next defense White Paper, due out early in 2023. These nomenclature debates have gone back and forth in Seoul, as political winds blow this way and that. In recent times, the Korean People's Army (KPA) was first called an enemy in a 1995 defense policy paper, a year after a DPRK official had threatened to an ROK counterpart that Seoul could become "a sea of fire." In 2004, with Kim Dae-jung's "Sunshine" policy in full swing, this was changed to "direct military threat." In 2010, after the sinking of the corvette Cheonan and the shelling of Yeonpyeong island, "enemy" was reinstated—until Moon's presidency (2017–22), when it was removed again. To a neutral observer the E-word seems only accurate, given the Kim regime's rhetoric and behavior. And whatever drives policy in Pyongyang, it is surely not primarily the shifting nuances of vocabulary in Seoul.

Rights Rhetoric Returns—But to What Avail?

Another left/right touchstone for ROK administrations is DPRK human rights. This reflects a practical crux. Engaging North Korea is hard enough, and raising human rights concerns is a sure way to kill dialogue before it even starts. Hence, pro-engagement Southern leaders like Moon and the late Kim DJ tried to avoid the topic. If perhaps understandable as a pragmatic stance, Moon took this to extremes: treating ROK activists for DPRK human rights as the enemy, or so they felt. Such NGOs were glad to see Yoon replace Moon.

Yet how much will change? Not only is Pyongyang wholly unresponsive, but domestically Moon's Democratic Party (DPK) still controls the National Assembly and can thus continue to block the North Korean Human Rights Act (NKHRA), enacted in 2016 under Moon's conservative predecessor Park Geunhye. This has several provisions, few of which have yet come to pass owing to DPK obstruction. Thus MOU is enjoined to report annually on DPRK human rights. (In truth, it's hard to see what this could add to other efforts already above all the excellent ongoing; comprehensive White Papers produced every year since 1996 by another ROK government body, the Korean Institute for National Unification (KINU)). The Ministry has duly complied, but under Moon its reports languished unpublished, ostensibly to protect defectors' data. Now, under Yoon, a white paper will be issued later this year.

The NKHRA also mandated that a foundation on DPRK human rights be set up. That remains stillborn, as the DPK has refused to nominate members to its board. It is unclear if they will relent, or whether some other way can be found. (A separate problem is that public opinion in South Korea is surprisingly indifferent to such issues, perhaps jaded by their intractability.)

Externally, Yoon is less constrained. In November the ROK once again joined other democracies in co-sponsoring a UN draft resolution condemning North Korea's human rights, after four years when the Moon administration shunned such initiatives. In December, the ROK's envoy to the UN for the first time highlighted the specific plight of female defectors: an implicit dig at China, where most of their suffering (forced marriages, trafficking, refoulement, etc) takes place. The bitter truth is that outsiders, including ROK governments of whatever stripe, are impotent to improve human rights in the DPRK.

Leaflets and Drones: Will Yoon Make a U-Turn?

Elsewhere, what Seoul decides to do does make a difference. Sending balloons with leaflets and other materials across the DMZ into North Korea is a case in point. Under strong pressure from Pyongyang—which all else aside, ludicrously claims that this is how COVID-19 got into the North—Moon controversially banned such actions -- to little effect, since militant activist groups like Fighters For A Free North Korea (FFNK) have carried on regardless.

Where does Yoon stand? Although most conservatives criticized the ban, initially the new government continued to try to dissuade the likes of FFNK, at least verbally. Yet in a striking intervention in November, Minister of Unification Kwon Young-se filed a court opinion claiming the leaflet ban is unconstitutional. Presumably this is now the official view. Since the DPK's grip on Parliament means the legislation cannot be amended as such, all eyes are on the Constitutional Court, which will rule on the issue in the coming months.

Meanwhile the North's brazen drone infiltration in December, discussed below, is hardening attitudes in Seoul. With Yoon's expressed enthusiasm—psychologically understandable, imprudent—for tit-for-tat arguably retaliation, in early 2023 floating leaflets across the DMZ seems no longer such a big deal, and maybe not even a bad idea. As Yoon mulls whether to suspend 2018's inter-Korean military accord, given the North's repeated violations, MOU has said it is reviewing whether in that case it could legally resume propaganda broadcasts at the border or send leaflets. Sensing the new mood, FFNK said in January that it will use drones rather than balloons to carry leaflets into North Korea "at the earliest date possible"; MOU

<u>asked</u> them not to. At this rate the skies over the DMZ may get busy, and dangerous, in 2023.

A Plethora of Provocations

Which brings us to Pyongyang's provocations. December's drones were the climax of a long and tiresome autumn and winter, when the North piled on pressure, pushed the envelope and crossed red lines on multiple fronts. What follows may not be a complete account, but will illustrate the overall process and its cumulative nature.

In the beginning were missiles, and ever shall be. 2022 was a record year for DPRK missile tests, with over 90 projectiles launched: four times the previous maximum. That is about one-third of all the missiles North Korea has launched in its entire history—three-quarters of which have been since Kim Jong Un inherited power in late 2011. During the period under review, the monthly tally was as shown in Table 1. November was the peak, including as it did two highlights: the first successful test of North Korea's and the world's largest missile, the *Hwasong-17*; and a record 23 missiles in one day on Nov. 2, mostly non-ballistic SAMs.

Pyongyang began ramping up pressure against Seoul in October, at first in a fairly low-key manner. On Oct. 12, what official media called "two long-range strategic cruise missiles...for the operation of tactical nukes" flew for 2,000 km in oval and figure-of-eight pattern orbits, over DPRK territory; both "clearly hit the target." A day later, South Korea scrambled *F*-35*A* fighters after a dozen KPA warplanes flew unusually close (about 25 km) to the DMZ, and closer still (12 km) to the Northern Limit Line (NLL, the de facto inter-Korean marine border which Pyongyang officially purports not to recognize).

Also on Oct. 13, KPA coastal artillery fired 170 rounds on the west and east of the peninsula, again near the DMZ; a further volley of 250 rounds followed on Oct. 18. Though all these shells landed in Northern waters, this was a clear breach of September 2018's inter-Korean military accord—the sole lasting outcome of 2018's North-South summitry. Then on Oct. 24 the ROK Navy fired warning shots after a DPRK merchant ship crossed the western NLL, a deliberate incursion, in Seoul's view. The Northern navy fired 10 rounds in response.

More shelling (100 rounds, east coast) followed on Nov. 2. That was a side-dish compared to the main course that day. North Korea launched 23 missiles, in four tranches, from multiple locations and in several directions into both the West (Yellow) Sea and East Sea (Sea of Japan). For the first time ever, one of these landed close to ROK waters—prompting an air-raid warning on

Month Lau	nch events	Number of projectiles	Type
Sept.	3	5	4 SRBM, 1 SLBM
Oct.	7	12	9 SRBM, 2 LRCM, 1 IRBM
Nov.	12	38	18 SRBM, 16 SAM, 2 ICBM, 2 LRCM
Dec.	3	7	5 SRBM, 2 SLV/MRBM
Jan. (so far)	1	1	1 SRBM/MLRS
ICBM	Inter-Continental Ballistic Missile		
<u>Key</u> :			
ICBM IRBM			
LRCM	Intermediate Range Ballistic Missile Long-Range Cruise Missile		
MLRS	Multiple Launch Rocket System		
MRBM	Medium Range Ballistic Missile		
SAM	Surface to Air Missile		
SLBM		Launched Ballistic Missile	
SLV	0 410 11141 1110	unch Vehicle	Table 1 DPRK missile launches sind
SRBM	Dutellite Lu	anion romoro	September 2022. Source: NK New
SKDM	short Kang	e Ballistic Missile	

Ulleung-do, a Southern island toward which it had seemed to be heading.

Much Ado about NADA

November continued to be busy with missile launches (see Table 1). The following month brought two fresh twists. On Dec. 19 KCNA, North Korea's official news agency, reported that a day earlier the National Aerospace Development Administration (NADA) had "conducted an important final-stage test for the development of [a] reconnaissance satellite." As proof, it published aerial photographs of Seoul and the port city of Incheon. That was cheeky—and unwise. In grainy black and white, both images were crude and blurry. (Cautious ROK media blurred them further, evidently not trusting the Yoon administration's occasional hints—not vet delivered on—that it plans to lift the longstanding ban on viewing DPRK materials.) Most comment in South Korea was skeptical and derisive. Were these really satellite photos? Or if that's the best Kim Jong Un's space spyware can do, the South has little to fear. (The ROK's elegant riposte, a couple of days later, was to publish a far superior image from its own spy satellite, in color and high resolution, of Kim Il Sung Square in Pyongyang.)

Southern mockery prompted an astonishing outburst from Pyongyang. Granted, outbursts are a DPRK specialty—but not like this. In her brief career hitherto (with many years yet to come, perhaps) as a quasi-official spokesperson, or more exactly a commenter, Kim Jong Un's sister Kim Yo Jong has struck a new note: more informal and personal than the standard turgid North Korean boilerplate, if often no less angry or nasty. In November she had already insulted Yoon, briefly but sharply (see Appendix). This time she threw a hissy-fit with a long plaintive rant, whose executive summary might be: "How DARE you?" It begins: "I am getting bored and tired of hearing the bark of the south Korean puppets who have the bad habit of finding fault with others," continuing in that vein for almost 2,000 words. Her sole factual point, or claim, seems to be that obviously the DPRK wouldn't fit an expensive hi-res camera that would only be used once; that wasn't what this launch was about.

While that begs many technical questions, the politics are crystal clear. The First Sister, and maybe her brother too, are humiliated and furious. Nothing worse than being sneered at by

those snooty Southern puppets. That wasn't the reaction they intended at all. One can only fear for whoever, in NADA or *KCNA* or more likely their Party bosses, thought it a great idea to publish those scuzzy photos. Unless, of course, it was Kim Jong Un himself.



Figure 2 Kim Yo Jong, sister of North Korean leader Kim Jong Un making a speech in Pyongyang on Aug. 10, 2022. Photo: KCNA via AP

An Unwelcome Christmas Gift

The most significant event in the period under review came at the very end of the year. On Dec. 26, North Korea raised the ante in its campaign of provoking the South. In the most blatant violation yet of 2018's inter-Korean military agreement, Pyongyang sent five unmanned aerial vehicles (UAVs, i.e. drones) across the DMZ into South Korea. No concrete harm was done, but the embarrassment could hardly have been greater. Despite firing over 100 rounds, the ROK military failed to down any of the intruders; they are presumed to have returned unscathed to base. Apologizing, a red-faced Ministry of National Defense (MND) <u>claimed</u> that they "flew on aberrant trajectories, changing flight speed and altitudes in unexpected ways." South Korea retaliated by sending a drone of its own into North Korea.

Adding insult to injury, the Joint Chiefs of Staff (JCS) initially dismissed as "untrue and groundless" claims that one drone breached the no-fly zone around the new presidential office that Yoon has carved out within MND's compound at Yongsan in central Seoul (replacing the perfectly serviceable but less central Blue House). But on Jan. 5 the JCS admitted that this breach did indeed happen, while insisting it posed no concrete risk to security.

Disarray and disputes over this <u>continued</u> in Seoul as *Comparative Connections* went to press, with neither military nor political circles smelling of roses. On the military side, there seem to have been at least two worrying delays. The drones were not detected until 1019, six minutes after they had crossed the MDL. And even when belatedly apprised of the incursion by the frontline First Army Corps, the JCS was slow to pass it on to the Capital Defense Command (CDC)—which therefore could not take immediate action against the P-73 penetration.

Regrettably but predictably, given the entrenched hostility between the two main parties, this rapidly became a political football. The DPK called the sending of a tit-for-tat drone a reckless act which served only to obfuscate Pyongyang's culpability. With the UN Command (UNC) beginning its own probe, it is not impossible (as has happened before) that both sides may be found to have breached the 1953 Armistice. An indignant MND insisted the ROK has the right to defend itself, and that its response was proportionate.

Not for the first time, Yoon's government seemed as keen to hunt down leakers as to tackle the issues they revealed. Suspicions that one drone had penetrated further than was initially admitted were first aired by Kim Byung-joo, a four-star general turned DPK lawmaker, on Dec. 28. After the JCS changed its tune, some in the ruling camp wondered how Kim could have known. Shin Won-sik, another ex-general (three-star) and a former head of the CDC who went into politics on the other side (in Yoon's ruling conservative People Power Party, PPP), said he could not shake off the "reasonable doubt that Rep. Kim may have communicated with North Korea." Kim batted off this smear: "Anyone can easily infer the infiltration based on a 30-minute flight tracking." A luta continua.

Prospects for 2023

An unhappy New Year is hardly a new experience for the peninsula. Yet 2023 looks bleaker than most. While as usual the original sin is North Korea's, risk derives from both sides. Having abandoned all pretense of interest in serious dialogue about anything with anyone—not just Yoon and South Korea, but also Biden and the US—Kim Jong Un is openly doubling down and ramping up. Relentless missile testing, the new emphasis on tactical nuclear weapons, and now drone incursions, all bespeak a regime intent on

prodding and provoking. The \$64,000 question—what does Kim really want?—remains as clear as mud. But evidently it is not Yoon's "audacious offer," any more than it was Moon Jae-in's vaunted peace treaty.



Figure 3 North Korean leader Kim Jong Un watches a missile launch in this image released by the state-run Korean Central News Agency on Oct. 10, 2022. Photo: KCNA via Reuters

The risk is twofold: not just what Kim might do, but also how Yoon may react. He is still new in post, and lacks political or military experience. Like many on the Right, his talk is hawkish. North Korea always tests conservative ROK leaders. As we recorded at the time, in 2010 Lee Myung-bak faced two attacks: the sinking of the frigate *Cheonan* and the shelling of Yeonpyeong island: 50 South Koreans died. In 2015 it was Park Geun-hye's turn, with a mine that maimed two ROK soldiers in the DMZ. Both presidents reacted with commendable restraint, and so peace was kept on the peninsula.

Does Yoon have that cool a head? His stress on tit-for-tat retaliation, fair enough for a drone incursion, could be far riskier in a more serious DPRK aggression. In such a scenario it is crucial that any military riposte should not escalate matters out of hand. No doubt more seasoned advisers will urge caution, but—while not envying his predicament one bit—I fear that the angry urge to strike back might overrule that, with incalculable consequences.

Chad O'Carroll, founder and CEO of *NK News*, is similarly concerned. In a recent <u>article</u> he gloomily regards it as "quite possible that South and North Koreans will die in a direct but limited military confrontation in the year ahead." He goes on: "2023 will be a very turbulent year, with the strong possibility of limited inter-Korean military violence in the event of an accident,

miscalculation or hot-headedness on either side of the peninsula." Living as he does in Seoul, I'm sure he hopes to be wrong. But look at the sky; storm clouds are gathering.

Appendix: [ends]

I. Kim Yo Jong's Press <u>Statement</u>, 24 Nov. 2022

Pyongyang, November 24 (KCNA) -- Kim Yo Jong, vice department director of the Central Committee of the Workers' Party of Korea (WPK), released the following press statement on Nov. 24:

On Nov. 22, the foreign ministry of south Korea described the DPRK's exercise of the right to self-defence as "provocation," announcing that it is examining its additional "independent sanctions" as the "provocation" continues.

As soon as the U.S. talked about its "independent sanctions" against the DPRK, south Korea parroted what the former said. This disgusting act shows more clearly that the south Korean group is a "faithful dog" and stooge of the U.S.

Such frequent acts of the south Korean stooges dumbfound me.

I wonder what "sanctions" the south Korean group, no more than a running wild dog on a bone given by the U.S., impudently impose on the DPRK. What a spectacle sight! [sic]

If the master and the servant still attach themselves to the useless "sanctions," we will let them do that one hundred or thousand times.

If they think that they can escape from the present dangerous situation through "sanctions," they must be really idiots as they do not know how to live in peace and comfort.

I wonder why the south Korean people still remain a passive onlooker to such acts of the "government" of Yoon Suk Yeol and other idiots who continue creating the dangerous situation.

Anyhow, Seoul had not been our target at least when Moon Jae In was in power.

We warn the impudent and stupid once again that the desperate sanctions and pressure of the U.S. and its south Korean stooges against the DPRK will add fuel to the latter's hostility and anger and they will serve as a noose for them.

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www.kcna.kp (Juche111.11.24.)

CHRONOLOGY OF NORTH KOREA-SOUTH KOREA RELATIONS

SEPTEMBER — DECEMBER 2022

Sept. 2, 2022: *Uriminzokkiri*, a DPRK website for external consumption, <u>lambastes</u> the just-ended *Ulchi Freedom Shield* US-ROK military exercises as "an extremely hostile and anti-national hysteria and an unprecedented military provocation. The Yoonites [sic: the ROK President is Yoon Suk Yeol] who spit out hostile remarks and run wild to ignite an aggressive war are the villains against peace and security in the Korean Peninsula."

Sept. 3, 2022: Korea Global Forum for Peace (KGFP), a big international conference hosted by South Korea's Ministry of Unification (MOU) on Aug. 30-Sept. 1, admits that it suffered a data breach on Aug. 29 where attendees" personal data was leaked. No fingers are pointed, but North Korean hackers are increasingly targeting DPRK-watchers, among others.

Sept. 4, 2022: In its first commentary on *Ulchi Freedom Shield* (albeit not carried in domestic media such as *Rodong Sinmun*), the DPRK's official *Korean Central News Agency (KCNA)* publishes the full 3,400-word text of a "research report" by the "Society for International Politics Study." Surveying 70 years of US-ROK joint military maneuvers—or in their words, "Aggressive War Drills Lasting on Earth in Longest Period" (sic)—this warns that "the possibility of a nuclear war on the Korean Peninsula is now becoming a present-tense matter."

Sept. 5, 2022: ROK military authorities <u>say</u> Pyongyang appears to have again opened the floodgates at its Hwanggang dam without notifying Seoul, as inter-Korean accords stipulate it must. The North did the same in late <u>June</u> and early <u>August</u>. MOU says that during today's regular call on the inter-Korean hotline, it tried to deliver a formal reminder of the need for advance notice. However, "the DPRK [sic] ended the call without clarifying its position."

Sept. 5, 2022: Park Sang-hak, head of the militant activist group Freedom Fighters for North Korea (FFNK), <u>says</u> his group conducted

another balloon launch, their fourth since July 6. "We sent 20 balloons to the North from Ganghwado...on Sept. 4 loaded with 50,000 tablets of Tylenol [painkillers], 30,000 tablets of vitamin C supplements and 20,000 masks to help North Korean compatriots who are suffering from COVID-19." One balloon carries large pictures of Kim Jong Un and Kim Yo Jong: the caption calls for their extermination.

Sept. 7, 2022: MOU <u>says</u> it has approved an NGO's application to send "nutritional" aid to North Korea. No further details are revealed. This is its eighth such approval this year, and the first under Yoon. With DPRK borders still largely closed, and amid icy North-South ties, it is unclear how much of this has been delivered.

Sept. 7, 2022: 14th Supreme People's Assembly (SPA), North Korea's rubber-stamp Parliament, opens its 7th session: the second this year.

Sept. 8, 2022: SPA passes a new <u>law</u>, replacing a shorter 2013 statute, reaffirming the DPRK's status as a nuclear weapons state. (See main text for fuller details).

Sept. 8, 2022: SPA passes a new <u>law</u>, replacing a shorter 2013 statute, reaffirming the DPRK's status as a nuclear weapons state. Inter alia, this codifies the DPRK military's "right" to launch preemptive nuclear strikes "automatically and immediately" in case of an imminent attack against its leadership or "important strategic objects." A defiant Kim Jong Un dares the US to maintain economic sanctions for "a thousand years...There will never be any declaration of "giving up our nukes" or "denuclearization," nor any kind of negotiations or bargaining...As long as nuclear weapons exist on Earth and imperialism remains...our road towards strengthening nuclear power won't stop."

Sept. 8, 2022: On the eve of the Chuseok (harvest festival) holiday, Unification Minister Kwon Young-se <u>proposes</u> talks on family reunions. With those affected now in their 80s and 90s,

"(we) have to resolve the problem before the word 'separated family' itself disappears ...(the two sides) should map out swift and fundamental measures, using all available methods." He adds that one-off events for a few families are not enough; those have been held on 22 occasions, most recently in 2018. Seoul is ready to discuss this issue anytime, anywhere and in any format; it is trying to convey that offer formally to Ri Son Gwon, who as head of the United Front Department (UFD) of North Korea's ruling Workers" Party (WPK) is Kwon's Northern counterpart—via the inter-Korean liaison hotline.

Sept. 19, 2022: Gen. Kim Seung-kyum, chairman of the Joint Chiefs of Staff (JCS), tells the ROK National Assembly: "I will make North Korea clearly realize that should it attempt to use nuclear arms, it would face the overwhelming response from the South Korea-US alliance and our military, and there would be no scenario for regime survival anymore."

Sept. 19, 2022: MOU Kwon <u>urges</u> Pyongyang to stop "distorting and denigrating" President Yoon's "audacious plan" to assist the North if it denuclearizes. Better to start a "virtuous circle" and return to dialogue based on "mutual respect and benefit."

Sept. 19, 2022: Seoul Central District Prosecutors Office <u>interrogates</u> former Deputy National Security Adviser Kim You-geun over his role in the unprecedented repatriation in Nov. 2019 of two Northern fishermen (who had reportedly confessed to murdering 16 shipmates).

Sept. 20, 2022: Relatedly, prosecutors <u>question</u> Kim Yeon-chul, unification minister at the time. He is accused of cutting short an inquiry into the case and ordering the deportation.

Sept. 20, 2022: Yoon Suk Yeol <u>addresses</u> UN General Assembly (UNGA). Unusually, and in contrast to his predecessor Moon Jae-in, he makes <u>no mention</u> of North Korea or peninsular issues; <u>focusing</u> instead on universal global themes (his speech is titled "Freedom and Solidarity: Answers to the Watershed Moment.')

Sept. 22, 2022: A poll of 1,200 adults by Seoul National University (SNU)'s Institute for Peace and Unification Studies (IPUS) finds record numbers skeptical that North Korea will ever

denuclearize (92.5% deem this "impossible"). A majority—55.5%, the most since the poll started in 2007—support South Korea having its own nuclear weapons. 60.9% think the North may engage in armed provocations. 31.6% reckon Korean unification is impossible, but almost half (46%) consider it necessary.

Sept. 23, 2022: Ahead of North Korea Freedom Week (Sept. 25-Oct 1), MOU <u>urges</u> activist groups to refrain from sending leaflets and other materials across the Demilitarized Zone (DMZ) by balloon. It also warns of "strong and stern" action, should Pyongyang carry out its threat to retaliate against such activities.

Sept. 25, 2022: CNN airs interview with Yoon Suk Yeol, made when he was in New York for the UNGA. Yoon opines that "in case of military conflict around Taiwan, there would be increased possibility of North Korean provocation...in that case, the top priority for Korea and the US-Korea alliance on the Korean Peninsula would be based on our robust defense posture. We must deal with the North Korean threat first."

Sept. 27, 2022: Activist ROK NGOs urge the liberal opposition Democratic Party (DPK) to stop blocking an official North Korean Human Rights Foundation (NKHRF). The 2016 act establishing this, passed during Park Geun-hye's presidency, requires the two main parties to each recommend five candidates to the board. The DP, which took power in 2017 and still controls parliament, has refused to nominate anyone—thus rendering the NKHRF stillborn.

Sept. 28, 2022: After a parliamentary briefing by the National Intelligence Service (NIS), ROK lawmakers <u>leak</u> tidbits to local media. The NIS reckons the DPRK may test a nuclear device between Oct. 16 and Nov. 7 (it does not). Leader Kim Jong Un "appears to be showing no signs of health issues and returned to weighing between 130 and 140 kilograms."

Oct. 4, 2022: After launching an intermediaterange ballistic missile (IRBM) earlier that day, North Korea does not <u>respond</u> to the South's daily 9 am call on their liaison hotline. This prompts fears in Seoul that Pyongyang has cut off contact, as in the past. The North answers normally when contacted at 5 pm. As a separate military hotline remained in operation, technical rather than political problems are suspected (e.g. rain damage).

Oct. 7, 2022: Asked by reporters whether North Korea's incessant missile testing might lead Seoul to scrap Sept. 2018's inter-Korean military accord, as hinted at by Defense Minister Lee Jong-sup, President Yoon <u>says</u>: "It's a bit difficult to tell you in advance."

Oct. 7, 2022: MOU Kwon <u>says</u> the ROK will "gradually" allow its citizens access to DPRK media, long banned under the National Security Act (<u>NSA</u>). This follows similar <u>hints</u> in July. As of January 2023 no such moves have actually taken place.

Oct. 10, 2022: After an especially intense flurry of weapons testing from Sept. 25 through Oct. 9, KCNA explains what this was all about: "Respected Comrade Kim Jong Un Guides Military Drills of KPA Units for Operation of Tactical Nukes." Kim says DPRK forces are "completely ready to hit and destroy targets at any time from any location."

Oct. 10, 2022: Responding to Kim's nuclear braggadocio, the ROK presidential office <u>calls</u> the security situation on the peninsula "grave."

Oct. 11, 2022: President Yoon <u>says</u> North Korea "has nothing to gain from nuclear weapons."

Oct. 11, 2022: ROK presidential office <u>says</u> it takes seriously the risk that North Korea may stage local provocations, like the <u>shelling</u> of a Southern island in 2010 when four died.

Oct. 12, 2022: Chung Jin-suk, interim leader of the ROK's conservative ruling People Power Party (PPP), <u>says</u> that if North Korea carries out a new nuclear test, the South should scrap 1991's inter-Korean <u>declaration</u> on denuclearization—which he says Pyongyang has turned into "a piece of waste paper."

Oct. 14, 2022: In response to Pyongyang's missile tests and its emphasis on tactical nukes, Seoul sanctions
15 North Korean individuals and 16 DPRK institutions, the ROK's first such sanctions since 2017, and the first by Yoon; there were none during Moon Jae-in's presidency. The move is symbolic, given the lack of inter-Korean commerce.

Oct. 14, 2022: A propos recent DPRK artillery fire into (its own) coastal waters close to the DMZ,

President Yoon <u>says</u> "it's correct that it's a violation of the Sept. 19 [2018] accord."

Oct. 17, 2022: *Hoguk*, the ROK miltary's major annual autumn theater-level inter-service field training exercise, <u>kicks off</u>. Some US forces also participate. Seoul <u>says</u> it is keeping close tabs on Pyongyang's reactions. The drill <u>concludes</u> on Oct. 28.

Oct. 18, 2022: Amid reports that the DPRK has dismantled more ROK-built and -owned facilities at the former Mount Kumgang resort—specifically, a sushi restaurant—MOU <u>calls</u> this "a clear violation of inter-Korean agreements" and urges the North to stop.

Oct. 20, 2022: After further volleys from Korean People's Army (KPA) artillery into what the 2018 North-South military accord designated as nofire maritime buffer zones near the inter-Korean border, Seoul <u>calls on</u> Pyongyang to respect that agreement and desist.

Oct. 21, 2022: Meeting with relatives of two South Koreans detained in North Korea, MOU Kwon says: "The government will do its best to win [their] release by mobilizing all available means." Pyongyang is known to have held six ROK citizens since 2013. Three are pastors, all serving hard labor for life for alleged espionage. The other trio are former defectors. Their prospects are bleak.

Oct. 21, 2022: In a UN Security Council (UNSC) meeting on women, peace and security, ROK Ambassador Hwang Joon-kook highlights the "appalling and heartbreaking" plight of female escapees from the DPRK. Risks they face include human trafficking, imprisonment, and harsh punishment if repatriated. Seoul has not raised this issue officially before. This is an implicit criticism of China, where all these abuses (including refoulement) occur.

Oct. 24, 2022: Two Koreas exchange warning shots before dawn in the Yellow Sea, after a DPRK merchant ship briefly crosses the Northern Limit Line—NLL, the de facto inter-Korean marine border—near Baengnyeong Island. The North, which does not recognize the NLL and claims waters south of it, accuses a Southern warship of intruding. Pyongyang also says the South has resumed propaganda broadcasts at the DMZ, which Seoul denies.

Oct. 26, 2022: ROK Defense Minister Lee Jongsup declares: "it's time to change our strategy" toward the DPRK nuclear threat. Rather than seeking to curb Pyongyang's WMD development, Seoul should focus on deterrence, to convey "a clear sense that if North Korea attempts to use nuclear weapons, it will bring about an end to [their] regime and it will disappear completely."

Oct. 30-Nov. 5, 2022: US and ROK <u>hold</u> their largest ever joint aerial exercise, *Vigilant Storm*. Over 240 aircraft, including some of the most advanced they possess, fly 1,600 sorties.

Nov. 2, 2022: In response to *Vigilant Storm*, the DPRK launches a record 23 missiles. For the first time, one lands near ROK territorial waters, prompting an air raid alert on Ulleung island in the East Sea/Sea of Japan, where it had seemed headed. The JCS condemns this as "very rare and intolerable." Calling an emergency meeting of the National Security Council, President Yoon says it was "effectively a violation of our territory." He orders that "strict measures be taken swiftly to ensure North Korea pays a clear price for its provocation."

Nov. 10, 2022: Civic groups opposed to the law that prohibits sending leaflets into North Korea reveal a powerful ally. In an opinion submitted to the Constitutional Court, which is reviewing the matter after a petition by 27 NGOs, MOU Kwon Young-se says that the ban "goes against the Constitution because it infringes on freedom of expression." Kwon also criticizes the law's vague wording, which could be enforced "arbitrarily."

Nov. 11, 2022: MOU <u>says</u> it is trying to return the body of a presumed North Korean woman (she was wearing a badge of Kim Il Sung and Kim Jong Il), retrieved from the Imjin river on July 23. Pyongyang is not responding, which is unusual in these cases. Since 2010 Seoul has repatriated 23 such corpses, carried down-river across the DMZ; the last was in Nov. 2019.

Nov. 15, 2022: South Korea's Education Ministry (MOE) says that an advisory committee, formed since Yoon Suk Yeol took office, has recommended 90 changes to social studies text books approved for fifth and sixth grades "due to errors or possible ideological bias." One publisher has already agreed to alter the phrase "DPRK government" to "DPRK regime."

Nov. 16, 2022: For the first time since 2017, South Korea <u>joins</u> other democracies in in cosponsoring the UN's annual <u>resolution</u> highlighting DPRK human rights concerns. North Korea accuses the South of seeking to distract attention from the recent deadly crowd crush in Seoul. (This is Pyongyang's first mention of the Itaewon tragedy: no condolences were sent.)

Nov. 16, 2022: Headlined "Fugitive underwear boss gave Kim Jong-un Hermès saddle, say prosecutors," the JoongAng Daily publishes "exclusive" about Kim Seong-tae, ex-chairman of SBW (Ssangbangwool) Group. Besides that luxury saddle, in 2019 Kim allegedly sent \$1.5 million to DPRK representatives in China, apparently hoping for business opportunities. (On Jan. 10 Kim was arrested in Thailand, so further revelations may follow.)

Nov. 17, 2022: PPP leader Chung Jin-sook <u>claims</u> the Ssangbangwool case "is developing into a bribery scandal involving North Korea and the Moon Jae-in administration," which "should be held accountable." Saying SBW sent as much as \$7 million to Pyongyang, Chung reckons the government and NIS must have known. But he cites no evidence.

Nov. 17, 2022: Interviewed by Yonhap, MOU Kwon insists that "the goal of denuclearizing North Korea is not unattainable." "Extended deterrence, sanctions and pressure" can make the DPRK return to talks. He adds that while Seoul does not seek its own bomb, or to reintroduce US tactical nukes, those stances could alter if tensions worsen and public opinion shifts.

Nov. 18, 2022: MOU <u>sets</u> Nov. 24 as deadline for North Korea to reply regarding the body in the river (see Nov. 11). On Nov. 25, after continued radio silence from Pyongyang, the ministry <u>says</u> the deceased will be cremated.

Nov. 21, 2022: MOU <u>releases</u> a booklet fleshing out President Yoon's "audacious plan" in a bit more detail. This lays out three stages of gradually increasing South Korean assistance if North Korea undertakes denuclearization, but is vague on what exactly the North has to do to unlock each stage. There is no prospect anyway of this coming to pass.

Nov. 24, 2022: Kim Jong Un's sister Kim Yo Jong issues second press statement in three days (the first condemned the UNSC for "double standards" in discussing the DPRK's most recent ICBM launch). This one lays into "the south Korean stooges" for being "a running wild dog on a bone given by the US," castigating "Yoon Suk Yeol and other idiots" as "impudent and stupid." Menacingly, she adds: "Anyhow, Seoul had not been our target at least when Moon Jae In was in power." (For full text, see the Appendix.)

Nov. 24, 2022: MOU responds with dignity and restraint: "We consider it very deplorable that Vice Director Kim Yo-jong criticized the leader of our country with vulgar language today without showing even the most basic level of courtesy."

Nov. 29, 2022: Kwon Young-se <u>pays</u> his first visit as MOU to the Joint Security Area (JSA) at Panmunjom. Hoping for a "warm breeze"—sunshine, anyone?—to thaw frosty relations, he yet again <u>assures</u> North Korea of the South's good faith and urges it to return to dialogue.

Nov. 30, 2022: A new booklet from Pyongyang Publishing House, "The Gallop To Ruin," denounces Yoon Suk Yeol as a "political moron" who "cannot escape a violent death."

Dec. 2, 2022: For the second time in as many months the ROK <u>imposes</u> its own sanctions, targeting eight persons and seven agencies seen as complicit in the DPRK's WMD programs. Of the individuals, six work for three North Korean banks; the other two are from Singapore and Taiwan. The US and Japan also impose similar bilateral sanctions.

Dec. 6, 2022: "Sources" tell Yonhap that the next biennial ROK defense White Paper, due out in January, will again designate the DPRK regime and military as an "enemy," fulfilling a pledge by Yoon Suk Yeol's transition team before he took office. Troop education materials have already revived the E-word, banished under Moon Jae-in in his quest for peace.

Dec. 7, 2022: ROK DM Lee <u>tells</u> a "forum on the military's spiritual and mental force enhancement" that South Korean troops "should clearly recognize as our enemy the North Korean regime and [its] military," given the North's provocations and threats."

Dec. 7, 2022: At a ceremony promoting 18 brigadiers-general (one star) to lieutenant general (three stars), President Yoon <u>says</u> that despite North Korea's nuclear arsenal, the South must "perfectly overwhelm" it in conventional military strength.

Dec. 8, 2022: In a joint advisory, South Korea's foreign, unification, and <u>ICT</u> ministries <u>warn</u> ROK firms against inadvertently hiring DPRK IT workers, who may disguise their true provenance via identity theft and other means. The US issued a similar advisory in May.

Dec. 9, 2022: ROK Vice Unification Minister Kim Ki-woong <u>says</u> the Yoon government will map out a three-year blueprint to improve North Korean human rights.

Dec. 9, 2022: At a virtual meeting of the Greater Tumen Initiative (GTI), South Korea calls on the North to return to this UN-backed intergovernmental cooperation mechanism, set up in 1995. Current members are China, Russia, Mongolia. and the ROK. The DPRK pulled out in 2009 in protest at UNSC sanctions. From July Seoul will chair the GTI for three years.

Dec. 15, 2022: MOU <u>says</u> that since Sept. 2021 three (unnamed) NGOs have sent soybean oil worth 1.2 billion won (\$922,000) to North Korea, under a government program "to offer nutritional aid to the North amid chronic food shortages and the COVID-19 pandemic." Two of the shipments were since Yoon took office.

Dec. 19, 2022: *KCNA* <u>reports</u> that on Dec. 18 the DPRK National Aerospace Development Administration (NADA) "conducted important final-stage test for the development of [a] reconnaissance satellite." It publishes grainy black and white aerial views of Seoul and Incheon. Seoul queries whether such "crude" low-resolution images are really from a satellite, suggesting the North still has far to go technically. NADA says it will launch a military reconnaissance satellite by April.

Dec. 20, 2022: Kim Yo Jong loses it, issuing a furious, lengthy (1,900 words) <u>rant</u> against those in Seoul "who have tongue belittled [sic] our yesterday's report on an important test for developing a reconnaissance satellite." Though mainly invective, her point seems to be that a hi-

res camera would have been a waste of money, as Dec. 18's test prioritized other aspects.

Dec. 22, 2022: South Korea's <u>riposte</u> to the North's satellite photos of Seoul and Incheon is to publish a much better one—in <u>color</u>, and high-resolution—of Pyongyang.

Dec. 26, 2022: Five DPRK unmanned aerial vehicles (UAVs, aka drones) <u>cross</u> the DMZ and fly over South Korea for almost five hours. One reaches northern Seoul. The ROK military fails to shoot down any, and loses radar contact. Next day military authorities <u>apologise</u>. The South <u>retaliates</u> by sending drones of its own over North Korea; details are not given.

Dec. 28, 2022: MND <u>says</u> that in 2023 the ROK will spend 560 billion won (\$441 million) on improving its defenses against drones.

Dec. 29, 2022: South Korea <u>holds</u> large-scale anti-drone military drills, apparently for the first time since 2017.

Dec. 26-31, 2022: As in recent years, North Korea closes the year with a big Party meeting: the 6th Enlarged Plenum of 8th WPK Central Committee. The main focus is military, with tough language even by DPRK standards. Calling South Korea "our undoubted enemy." Kim Jong Un says this "highlights the importance and necessity of a mass-producing of tactical nuclear weapons and calls for an exponential increase of the country's nuclear arsenal."

Dec. 31, 2022: A ceremony to hand over 30 new "super-large multiple rocket launchers" to the WPK—not to the KPA, note—is held "with splendor" outside Party headquarters. Congratulating munitions workers, Kim Jong Un exults at these weapons systems: "Comrades, have a look at them. I really feel invigorated."

Jan. 3, 2023: MOU reveals that in 2022 it approved 12 applications by NGOs to send humanitarian aid to North Korea, worth a total of 5.52 billion won (\$4.32 million). Five of these were since Yoon took office in May, including a shipment of (unspecified) goods worth 300 million won in December. It is not known how much, if any, of this aid has actually reached the DPRK, which nowdays normally spurns assistance from the ROK.

Jan. 4, 2023: Yoon's spokesperson <u>says</u> he has "instructed the National Security Office to consider suspending the Sept. 19 (2018) military <u>agreement</u> in the event North Korea carries out another provocation violating our territory." Yoon also "instructed" DM Lee to beef up the ROK's military drone capacity. His office says the North has "explicitly" violated the 2018 accord 17 times since October.

Jan. 5, 2023: Amplifying the above, ROK media cite unnamed officials as warning that Seoul may suspend not only the military pact but also 2018's inter-Korean joint declaration, should Pyongyang again intrude on its territory. A "key presidential official" tells Yonhap: "It's part of our sovereignty to invalidate inter-Korean agreements if circumstances change." Hinting at a major policy shift, MOU says it is reviewing whether it could legally resume propaganda broadcasts or sending leaflets if these agreements were suspended.

Jan. 5, 2023: In a U-turn, a military official admits that one DPRK drone did enter P73: a 3.7-km-radius no-fly zone around the presidential office in Seoul's Yongsan district. The JCS had previously called such claims "untrue and groundless." Military authorities insist there was no security risk, doubting whether the UAV could even have taken photographs.

Jan. 5, 2023: ROK armed forces <u>conduct</u> further air defense drills, this time including live fire, against enemy drone infiltrations. Some 50 aircraft are deployed, including KA-1 light attack planes and 500MD helicopters, as well as troops armed with drone jammer guns.

Jan. 8, 2023: South Korea's liberal opposition Democratic Party (DPK), which controls the National Assembly, <u>calls</u> the ROK's tit-for-tat sending a drone across the DMZ a "reckless" breach of the 1953 Armistice which blurred Pyongyang's culpability. Rejecting this, MND <u>claims</u> their action was "a corresponding self-defense measure."

Jan. 9, 2023: South Korea's presidential office says that last year it granted a meeting request by North Korea human rights activists, including FFNK, and is "keeping the channel open." Under Yoon's predecessor Moon the Blue House shunned such groups as hostile.

Jan. 9, 2023: *NK News* reports that the United Nations Command (UNC) has set up a Special Investigation Team to probe whether recent drone flights over the Military Demarcation Line (MDL) violated the Armistice. That could mean the ROK as well as the DPRK launches.

Jan. 9, 2023: ROK media report that three persons on Jeju island, linked to the small leftist Progressive Party and the Korean Peasants' League, are under police investigation for running a pro-North underground group since 2017, directed by DPRK agents. The accused deny the charges and refuse the NIS summons. A separate probe into another pro-Pyongyang network has led to raids in Jeju, Seoul, South Gyeongsang and North Jeolla.

Jan. 9, 2023: FFNK <u>says</u> it will use drones rather than balloons to send leaflets into North Korea "at the earliest date possible." MOU <u>asks</u> it not to and urges caution.

Jan. 9, 2023: "A high-ranking presidential official" tells JoongAng Ilbo (Seoul's leading daily; its politics are center-right): "If the North sends [UAVs]...again, we will not just respond passively by shooting them down." Rather, the ROK will send its own drones "deep into North Korea in accordance with the principle of proportionality...We may send UAVs as far as Pyongyang and the launch station at Tongchang-ri [a major rocket launch site]."

Jan. 10, 2023: MOU <u>says</u> that in 2022 only 67 Northern defectors reached South Korea: the second lowest annual figure ever, after the 63 who arrived in 2021.



COMPARATIVE

CONNECTIONS

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

CHINA- KOREA RELATIONS

KIM JONG UN TESTS XI-YOON DIPLOMACY

SCOTT SNYDER, COUNCIL ON FOREIGN RELATIONS SEE-WON BYUN, SAN FRANCISCO STATE UNIVERSITY

Regional and global summits presented high-level platforms for China-South Korea engagement in November. The summitry showed that the relationship had returned with solidity with the resumption of international meetings and in-person exchanges. Although the Xi Jinping and Yoon Suk Yeol leaderships advanced diplomatic exchange, concerns emerged over enduring political and security constraints and growing linkages with the economic relationship. Kim Jong Un's escalation of military threats, through an unprecedented number of missile tests this year, challenged Xi-Yoon bilateral and multilateral diplomacy. China-North Korea bilateral interactions, while brisk, primarily relied on Xi and Kim's exchange of congratulatory letters around significant founding anniversaries, China's 20th Party Congress, and expressions of condolences after the death of former Chinese leader Jiang Zemin. The UN Security Council's failure to take unified action on DPRK threats prompted South Korea to voice frustration with China and expand cooperation with US and Japanese partners. Such responses only reinforced concerns raised in recent leadership exchanges, and Korean domestic division over Yoon's diplomatic strategies.

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The Xi-Yoon Summit and Multilateral Diplomacy

Multilateral engagements in November fueled new China-ROK leadership exchanges after Yoon Suk Yeol took office in May as South Korea's conservative leader, and Xi Jinping secured an unprecedented third term in October as Chinese Communist Party (CCP) general secretary. Yoon met Xi on the G20 sidelines in Bali on Nov. 15, and met Premier Li Keqiang at ASEAN summits in Phnom Penh on Nov. 12. Xi and Yoon reaffirmed earlier pledges on trust-building and common interests marking the 30th anniversary of diplomatic ties this year. The security implications of economic interdependence, North Korean aggression, and the broader regional order emerged as priority concerns lacking consensus. Xi raised the need to "oppose economic cooperation politicizing overstretching the concept of security on such cooperation," a growing source of friction on both sides. Yoon told Xi that "the diplomatic goal of the Korean government is to pursue the freedom, peace and prosperity of the international community based on common values and norms," noting "China's role is crucial" in this effort.

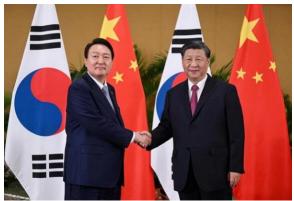


Figure 1 Presidents Xi and Yoon meet on the G20 summit sidelines in Bali. Photo: Ministry of Foreign Affairs of the People's Republic of China

Through ASEAN's platforms, Yoon presented Seoul's **Indo-Pacific strategy** that embodied a rules-based order without excluding China, speculations countering over his administration's closer alignment with Washington. While proposing a new Korea-ASEAN Solidarity Initiative to diversify economic partners, Yoon also called for reviving China-Japan-South Korea mechanisms that remained stalled due to bilateral tensions and COVID-19. US-China competition and post-pandemic uncertainty magnified regional challenges surrounding this year's exchanges with ASEAN counterparts. In his speech commemorating the 25th anniversary of ASEAN+3 (APT) cooperation, Li called APT the "main vehicle of East Asian cooperation," warned against "unilateralism and protectionism," and reassured neighbors that "there is no reason for China to stop opening-up." But resumed in-person meetings did not include a trilateral summit of Plus Three leaders, last held in December 2019 when China and South Korea's last presidential summit was also held on the sidelines.

Meeting <u>virtually</u> on Dec. 12, Foreign Ministers Wang Yi and Park Jin committed to implementing the Xi-Yoon agreements and their own agreements from August talks in Qingdao, including the creation of a joint action plan for expanding bilateral ties. Defense Ministers Wei Fenghe and Lee Jong-sup met soon after the Xi-Yoon summit, on the sidelines of the ASEAN Defense Ministers' Meeting-Plus in Cambodia on Nov. 23. In a step toward promoting defense exchanges, they agreed to resume the viceministerial defense strategic dialogue suspended since 2019. Environment Ministers Huang Runqiu and Han Wha-jin continued to advance regional cooperation, virtually holding the 23rd round of trilateral ministerial talks with Japanese counterpart Yamada Miki on Dec. 1. The virtual resumption of a business dialogue hosted by China Center for International Economic Exchanges and the Korea Chamber of Commerce and Industry on Dec. 12 followed Xi-Yoon agreements to expand public-private and highlevel engagement.

Despite those diplomatic achievements, the Yoon leadership still awaits a state visit by Xi. Yoon renewed the invitation during his Sept. 16 meeting with top legislator Li Zhanshu, the first National People's Congress (NPC) Standing Committee chairman to visit South Korea since 2015. Li also met National Assembly Speaker Kim Jin-pyo as part of his Asia tour, setting up the leadership exchanges in November. PRC Ambassador Xing Haiming's comments after a forum hosted by the Korea Press Foundation and Chinese Embassy in December renewed Korean skepticism over the likelihood of any immediate "reciprocal" Xi visit.

In other China-ROK bilateral developments, the ninth <u>repatriation</u> of the remains of Chinese People's Volunteers killed in the Korean War was completed on Sept. 14-17. A joint fishing

committee meeting in Nov. 15-18 also <u>agreed</u> to cut fishing activities in exclusive economic zones. However, the summits in Southeast Asia that month indicated the relative weakness of China-ROK political and security ties amid escalating threats from Pyongyang, and rising anxieties over the economic partnership's strategic implications.



Figure 2 China's NPC Standing Committee head Li Zhanshu visits Seoul to meet President Yoon Suk Yeol and National Assembly Speaker Kim Jin-pyo. Photo: Yonhap

Xi-Kim Correspondence and Prospects for Resumption of China-North Korea Trade

Kim Jong Un and Xi Jinping enjoyed an active correspondence on the occasion of politically important events and anniversaries that emphasized close cooperation and common interests between the two leaders. Xi sent a message to Kim on the occasion of the 74th founding anniversary of the Workers' Party of Korea (WPK) on Sept. 9. According to Rodona Xi's message emphasized Sinmun, "important consensus on planning the blueprint for the development of relations between the two parties and countries" and reiterated a willingness to work with North Korea to "maintain strategic communication, strengthen coordination and cooperation, and jointly uphold, consolidate, and develop China-DPRK relations." Kim responded on Sept. 19 with a message that expressed confidence that the "established bilateral relationship, consolidated in the struggle for socialism, would steadily develop on a new high stage."

Kim <u>sent</u> another message to Xi on the 73rd anniversary of the PRC's founding on Oct. 1, acknowledging China's achievements and anticipating the significance of the 20th Party Congress. Xi Jinping <u>responded</u> on Oct. 13, in which he again emphasized the importance of

"strategic communication" to boost "unity and cooperation" between the two countries. Kim sent a message to Xi upon the conclusion of the 20th Party Congress congratulating Xi on his leadership and pledging to shape a "more beautiful future" for relations between the two countries "so as to continue to powerfully propel the socialist cause in the two countries." In his Nov. 22 response to Kim, Rodong Sinmun reported that Xi thanked Kim for his congratulatory message and reiterated the importance of bilateral cooperation in the face of "unprecedented" changes in the international situation and expressed his commitment to "intensifying the work to plan and guide the bilateral ties and defending, consolidating and developing them with credit."

On Nov. 30, Kim Jong Un sent a message of condolence on the passing of former Chinese leader Jiang Zemin. Senior members of the WPK visited the Chinese embassy in Pyongyang to present a wreath in commemoration of Jiang's passing. In addition to public correspondence between leaders, *Rodong Sinmun* reported the installation of a monument in honor of Kim II Sung erected at the Nan Jiao farm in Beijing, where Kim visited in 1975.

North Korean Aggression and Regional Security

Managing Pyongyang's threat escalation has been a clear priority on President Yoon's regional diplomatic agenda. North Korea has fired more than 70 ballistic missiles, 9 intercontinental ballistic missiles (ICBM) among them, in 2022, nearly tripling last year's record of 25. Regional fears extend to conventional military threats and a looming seventh nuclear test. The testing of three short-range ballistic missiles and ICBM on Nov. 2-3 prompted an air raid alert for Ulleung Island for the first time since 2016 and amplified South Korean threat perceptions. North Korea's Hwasong-17 "monster" ICBM was launched on Nov. 18, challenging Xi's reaffirmations of regional security cooperation through separate summits with Biden and Yoon earlier that week.



Figure 3 An intercontinental ballistic missile (ICBM) is prepared for launch in this undated photo released on Nov. 19, 2022 by Korean Central News Agency. Photo: KCNA via Reuters

Throughout his Southeast Asia tour, Yoon sought to mobilize a firm response to DPRK threats while remaining open to dialogue by presenting his "audacious initiative" of economic aid to Pyongyang in return for denuclearization. Based on South Korea's press release of their summit, Yoon told Xi "we expect China to play a more active and constructive role" as a UN Security Council (UNSC) permanent member and Asian neighbor. Xi affirmed China would support Seoul's aid initiative "if North Korea responds favorably." But the Chinese foreign ministry report on the summit's outcomes made no explicit reference to North Korean security issues beyond broader regional "peace and stability." The Xi-Yoon summit coincided with virtual talks between nuclear envoys on Nov. 15, where Liu Xiaoming reasserted Beijing's position. As Liu told Korean counterpart Kim Gunn, "the parties concerned must squarely recognize the crux of the Peninsula issue and work to address each other's concerns, especially the legitimate concerns of the DPRK, in a balanced manner...China will continue to play a constructive role in promoting the political settlement of the Peninsula issue." In a Yonhap News interview a day later, South Korea's Unification Minister Kwon Young-se identified "extended deterrence, sanctions and pressure" as the "means to bring the North to the denuclearization (dialogue) table."

US and South Korean foreign and defense agencies affirmed such tools in a Sept. 16 joint statement pledging "any DPRK nuclear attack would be met with an overwhelming and decisive response." Before meeting Xi, Yoon drew further reassurances through Nov. 13 talks with US President Joe Biden and their joint statement

with Japanese Prime Minister Kishida Fumio on a comprehensive trilateral partnership for the Indo-Pacific. In addition to supporting the Indo-<u>Pacific Economic Framework</u>, the three leaders launched a trilateral dialogue on economic security and signaled unity against "economic coercion." Such moves raised South Korean unease over China's opposition to the expansion of US alliance cooperation to include economicsecurity linkages. In response to US Forces Korea plans to host a US Space Force regional command to address North Korean threats as part of Biden's National Security Strategy, a Nov. 28 Korea Times editorial <u>cautioned</u>: "care must be taken to not cause backlash from China." Against mounting regional calls for China to play a constructive role, China-ROK defense minister talks on Nov. 23 made no substantive progress on jointly managing DPRK missile and nuclear threats or restarting dialogue.

The failure of multiple UNSC sessions on North Korea this year to generate joint punitive action or statements of condemnation fueled South Korean frustration with Chinese and Russian constraints. Media commentators Pyongyang's "mounting nuclear threats" urged China to "do more," expressing disappointment after the Nov. 15 Xi-Yoon summit produced no consensus on peninsula security priorities. Some outlets concluded, "Yoon's trip strengthens US-Japan-ROK trilateral ties to deter DPRK provocations." Other observers voiced ahead of the Nov. 14 Biden-Xi <u>summit</u>, that "South Korea does not want to be dragged into the China-US confrontation." Chinese state media projected favorable images of their first in-person interaction, <u>claiming</u>, the "long-awaited scene between China and the US gives the world relief." Pointing to "signs of thawing strained ties," a Korea Times editorial argued, "We urge Xi to join efforts by South Korea, the US and Japan to discourage the North from pressing ahead with another nuclear test." By December, heightened threat perceptions and UNSC inaction drove the coordinated imposition of Japanese, South Korean, and US sanctions reinforcing trilateral unity. Washington led the push for a UNSC presidential statement as DPRK testing activities continued.

North Korea Benefits from Open US-China Rift at the UN Security Council

The most direct impact of the changed geopolitical circumstances boosting China-DPRK cooperation has been that, in the context

of North Korea's increased frequency and range of its missile tests in 2022, the UNSC has been paralyzed due to major power rifts between the United States on one hand, and China and Russia on the other. These gaps only grew as the US again pressed for UNSC action in response to North Korean long-range missile tests in September-October. Against the backdrop of deepening major power rivalry and strengthened China-DPRK coordination, the UNSC debate remained paralyzed.

On Oct. 5, US Ambassador to the UN Linda Thomas-Greenfield called for unity in response to an intense series of eight ballistic missile launches in nine days, including the launch of a long-range missile that flew over Japan. She appealed to the UNSC to unanimously condemn DPRK provocations as in the past and stated that North Korea is "testing capabilities that can threaten every single UN Member State." But Chinese Ambassador to the UN Geng Shuang defended North Korea by stating that the launches should not be viewed in isolation and are linked to US-ROK joint military exercises. Geng echoed North Korean arguments that "the denuclearization measures taken by the DPRK went unacknowledged, and the country's legitimate and reasonable concerns have not been addressed" despite US invitations to Pyongyang to pursue renewed diplomatic dialogue. Instead of pressing for further sanctions, he pointed to a joint China-Russia resolution on North Korea advocating for humanitarian measures, easing of tensions and resumption of dialogue, and a political settlement of the Korean Peninsula issue. North Korea has become a beneficiary of geopolitical rivalries that have motivated China to act as a shield against punitive UNSC actions.



Figure 4 US United Nations Ambassador, Linda Thomas-Greenfield, address a UN Security Council meeting to discuss North Korea's ballistic missile test,

Wednesday Oct. 5, 2022 at UN headquarters. Photo: AP Photo/Bebeto Matthews

The UNSC held a second round of debates on Nov. 4 over North Korea's flurry of 13 missile launches. US frustrations with UNSC inaction in the face of Pyongyang's escalation of missile testing was evident as Ambassador Thomas-Greenfield asserted that the UNSC's credibility was at stake. But Geng pointed to US military exercises and statements that threatened to end the regime if Pyongyang were to use nuclear weapons as precipitating factors enflaming DPRK security concerns, instead arguing for a "dual track approach" of "maintaining peace and stability and achieving denuclearization on the peninsula and resolving issues through dialogue and consultation." With China blocking UNSC condemnation of DPRK missile launches and giving a voice to perspectives North Korea had long-voiced in international forums, the United States had no choice but to pursue a multilateral statement of condemnation from like-minded countries at the UN.

Mixed China-Korea Economic Prospects

According to Chinese official reports, China-ROK trade grew by an annual 8.9% in January-July to \$214.9 billion, and South Korean direct investment to China increased by 44.5%. By the end of the year, Korean customs data showed a 27% decline in exports to China in the Dec. 1-20 period and an 8.8% drop in overall exports compared to the same time last year, led by poor performance in chips and mobile devices. South Korea's soaring accumulative trade deficit to \$42.5 billion in January-November, twice the level in 1996 and more than three times that in 2008, heightened domestic fears of sustained recession. China's slowdown and other global economic pressures drove adjustments in South Korea's 2023 growth rate to between 1.5 and 2%, revising down earlier projections.

Chinese Meanwhile, media reported optimistically on bilateral economic cooperation spanning state, local, and nonstate levels, boosted by the Regional Comprehensive Economic Partnership that went into effect this multi-level exchanges Such anticipations from the 26th Joint Economic and Trade Committee meeting on Nov. 24, led virtually by PRC Assistant Commerce Minister Li Fei and Korean counterpart Yun Seong-deok. That month featured the Korea Trade-Investment Promotion Agency's export fair in Beijing and joint annual fairs engaging major provincial partners like Jiangsu and Shandong.

Chinese projections raise the critical importance of South Korea's turn to China, its biggest trade partner since 2004, for domestic recovery and broader supply chain stability. At the 14th China-South Korea Media High-Level Dialogue in November, Vice President of the Academy of the China Council for the Promotion of International Trade Zhao Ping identified technological and industrial reform and the green economy as sources of optimism in emerging sectors. Dialogue participants included China's Korea experts like Jilin University Vice Dean Zhang Huizhi, who in a Global Times interview also cited "a modification of South Korea's previous foreign policy that seemed to be veering away from China in terms of economic integration." After a Seoul economic forum on Nov. 22, a Global Times editorial favored "win-win" cooperation in line with business interests, arguing that "facing Washington's decoupling push, South Korean companies have voted with their feet." Another contributor on China-South Korea trade added a day later, "The biggest external disturbing factors for China-South Korea ties is always from Washington." The Xi-Yoon summit appeared to catalyze China's lifting of a six-year ban on Korean cultural contents since the THAAD dispute, as suggested by the resumption of online streaming of Korean contents in November. But China's foreign ministry made clear on Nov. 23, "there has never been a socalled ban on ROK entertainment content on China's part. China is open to cultural and people-to-people exchange with the ROK."

Meanwhile, the Global Times reported in September that China-North Korea freight exchanges between Dandong and Sinuiju resumed after a five-month suspension due to the COVID-19 pandemic. The April 29 suspension coincided with North Korea's first public admission of COVID-19's entry, and the resumption of services followed North Korea's declaration of victory over the virus in August.

South Korea's Indo-Pacific Strategy and China's Response

South Korea's late December <u>release</u> of its Indo-Pacific strategy provided a snapshot of the impact of Seoul's shifting policy toward China. Yoon's Indo-Pacific strategy clearly aligns South Korea with the United States in support of a US-led international order defined by the rule of law

and established normative frameworks. But the strategy also seeks to preserve a mutually beneficial economic partnership with China while pursuing a relationship based on mutual respect. Although the United States has identified China as a "pacing" challenge in an environment primarily but not exclusively identified by competition, South Korea has described China in its strategy as "a key partner for achieving prosperity and peace in the Indo-Pacific region." More than a competitive relationship with China, South Korea seeks trust and reciprocity in a relationship with a better-behaved China.

While seeking to define a way forward for a positive China-ROK relationship based on mutual interests and mutual respect, Seoul's alignment with Washington and expanded US-ROK cooperation on issues such as supply chain resiliency and broader Indo-Pacific strategy under the Yoon administration have begun to generate pressures on the China-ROK economic relationship. The balance between inclusion and exclusion on the economic and technology fronts has emerged as the most sensitive frontier of the relationship. While Korean firms are willing to invest in US-based semiconductor plants, they have no incentive to cut off semiconductor component trade in legacy products originated in China-located factories built with South Korean investment. SK Hynix quickly applied for and received a one-year exception to new US Department of Commerce licensing restrictions on exports of chip-manufacturing equipment to China released in October. A US regulatory approach that forecloses such trade imposes a significant economic cost for South Korean firms for which they will seek relief for foregone profits.

The Chinese initial response to the Yoon administration's release of its Indo-Pacific strategy has been cautious. China has reiterated concerns that South Korea's enmeshment in US-led economic security initiatives will disadvantage China and be costly for South Korea. In the *Global Times*, Dong Xiangrong of the Chinese Academy of Social Sciences <u>stated</u> that "China is where South Korea's real interests lie, and Seoul's best strategy is to balance its ties between China and the United States."

Conclusion: 2023 Outlook

Moving into 2023, the role of external parties and domestic politics remains a key concern amid US-China rivalry, North Korean provocations, and leadership transitions in Seoul and Beijing. At an Oct. 26 forum organized by South Korean media, Chinese Ambassador Xing Haiming identified the United States as "the biggest external challenge" to China-South Korea relations. He pointed to public opinion as the biggest internal challenge, citing the key role of "negative reporting on China by some Korean media outlets." Responding to Chinese protests surrounding Beijing's "zero-COVID" strategy, a Dec. 2 Korea Times editorial urged the Yoon government to better manage the economic risks from China, respond to public opinion, and address new virus cases.

The China-North Korea and China-South Korea relationships are both enablers and potential dampeners of tensions on the peninsula and in the region. These dynamics are playing out against the backdrop of US-China rivalry. The rise of major power rivalry has enhanced China-North Korea geopolitical alignment as Pyongyang uses its relationships with China and Russia as a shield against international punishment for its provocative long-range missile tests. But North Korea's closer relationship with China does not appear to have enhanced China's political influence in Pyongyang. It rather appears to have enabled North Korea to take advantage of international political paralysis for its own ends.

At the same time, South Korea under President Yoon has enhanced its alignment with the United States while seeking to enhance its international leadership role as a global pivotal state. By emphasizing inclusion and mutual benefit, Seoul seeks to enhance its leverage as a means by which to secure more even-handed treatment from China than Beijing has historically accorded to states on its periphery. For its part, China has tried to remind South Korea that its location next to China means that it shares both economic interdependence and security interdependence with China.

CHRONOLOGY OF CHINA-KOREA RELATIONS

SEPTEMBER — DECEMBER 2022

Sept. 9, 2022: Xi Jinping <u>sends</u> a message to Kim Jong Un on North Korea's 74th founding anniversary.

Sept. 14-17, 2022: South Korea <u>returns</u> to China the remains of Chinese soldiers killed in the Korean War.

Sept. 15-17, 2022: China's NPC Standing Committee head Li Zhanshu <u>visits</u> Seoul to meet President Yoon Suk Yeol and National Assembly Speaker Kim Jin-pyo.

Sept. 19, 2022: Kim Jong Un <u>sends</u> a reply letter to Xi Jinping.

Sept. 26, 2022: China's foreign ministry confirms the resumption of Dandong-Sinuiju railroad freight operations after a five-month suspension due to COVID-19.

Sept. 28, 2022: DPRK Ambassador to China Ri Ryong Nam, President of the Chinese People's Association for Friendship with Foreign Countries Lin Songtian, and other officials address an unveiling ceremony for a Kim Il Sung monument at Nan Jiao Farm in Beijing.

Sept. 29, 2022: Korea Enterprises Federation holds an annual meeting with Chinese Ambassador to South Korea Xing Haiming.

Oct. 1, 2022: Kim Jong Un <u>sends</u> a congratulatory message on China's 73rd founding anniversary.

Oct. 5, 2022: China and Russia at a UN Security Council meeting <u>block</u> a US-led effort to condemn North Korea's Oct. 4 missile launch across Japan.

Oct. 9, 2022: Chinese government and party representatives <u>send</u> floral baskets to the Worker's Party of Korea marking the WPK's 77th founding anniversary.

Oct. 13, 2022: Xi Jinping <u>sends</u> a reply message to Kim Jong Un.

Oct. 16, 2022: WPK <u>sends</u> a congratulatory message to Chinese counterparts on the opening of the 20th Party Congress.

Oct. 23, 2022: Kim Jong Un <u>sends</u> congratulatory message to Xi on the outcome of the 20th Party Congress.

Oct. 24, 2022: President Yoon <u>congratulates</u> Xi Jinping after the 20th Party Congress.

Oct. 26, 2022: South Korean Ambassador tsso China Chung Jae-ho and China's Assistant Foreign Minister Wu Jianghao <u>meet</u> at South Korean National Day and Armed Forces Day Reception.

Oct. 30, 2022: President Xi and Premier Li Keqiang <u>send</u> separate condolence messages to President Yoon Suk Yeol and Prime Minister Han Duck-soo on the Oct. 29 crowd accident in Seoul.

Nov. 4, 2022: Ruling People Power Party leader Chung Jin-suk and Chinese Ambassador to South Korea Xing Haiming meet in Seoul.

Nov. 7, 2022: Main opposition Democratic Party leader Lee Jae-myung and Chinese Ambassador to South Korea Xing Haiming meet in Seoul.

Nov. 12, 2022: President Yoon and Premier Li meet at ASEAN summits in Cambodia.

Nov. 15, 2022: Presidents Xi and Yoon <u>meet</u> on the G20 summit sidelines in Bali.

Nov. 15, 2022: PRC and ROK nuclear envoys Liu Xiaoming and Kim Gunn <u>hold</u> telephone talks.

Nov. 15, 2022: South Korean Prosecutor General Lee One-seok <u>meets</u> Chinese Ambassador to South Korea Xing Haiming.

Nov. 15–18, 2022: China and South Korea <u>hold</u> a joint fishing committee meeting.

Nov. 22, 2022: China <u>resumes</u> online streaming of South Korean movie *Hotel by the River*.

Nov. 22, 2022: Xi Jinping <u>sends</u> a reply message to Kim Jong Un

Nov. 23, 2022: PRC and ROK defense ministers Wei Fenghe and Lee Jong-sup <u>meet</u> at the ASEAN Defense Ministers' Meeting-Plus in Cambodia.

Nov. 30, 2022: Kim Jong Un <u>sends</u> condolence message to President Xi over the death of former Chinese leader Jiang Zemin.

Dec. 1, 2022: South Korean Ambassador to China Chung Jae Ho <u>visits</u> a mourning altar in Beijing to pay respects to Jiang Zemin.

Dec. 1, 2022: China, South Korea, and Japan virtually <u>hold</u> the 23rd Tripartite Environment Ministers Meeting.

Dec. 2, 2022: President Yoon <u>sends</u> a condolence letter to Xi and visits a memorial altar at the Chinese Embassy in Seoul to pay respects to Jiang Zemin.

Dec. 12, 2022: PRC and ROK foreign ministers Wang Yi and Park Jin <u>hold</u> virtual talks.



COMPARATIVE

CONNECTIONS

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

JAPAN-CHINA RELATIONS

A PERIOD OF COLD PEACE?

JUNE TEUFEL DREYER, UNIVERSITY OF MIAMI

In the sole high-level meeting in the report period, on the sidelines of the APEC meeting in Bangkok in November, General Secretary/President Xi Jinping and Prime Minister Kishida Fumio essentially talked past each other. At an earlier ASEAN+3 meeting in Phnom Penh, Premier Li Keqiang and Kishida not only talked past each other but pointedly walked past each other. There was no resolution of major issues: the Chinese position is and remains that Taiwan is a core interest of the PRC in which Japan must not interfere. Japan counters that a Chinese invasion would be an emergency for Japan. On the islands known to the Chinese as the Diaoyu and to the Japanese as the Senkaku, Tokyo considers them an integral part of Japan on the basis of history and international law while China says the islands are part of China. On jurisdiction in the East China Sea, Japan says that demarcation should be based on the median line and that China's efforts at unilateral development of oil and gas resources on its side of the median are illegal. Beijing does not recognize the validity of the median line.

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Economically, a number of Japanese industries have been decoupling from China out of concern for the integrity of their supply chains and for security reasons while others are planning to expand operations there. Both sides continued their respective defense buildups while accusing the other of military expansionism.

Politics

In early September, Japanese Foreign Minister Hayashi Yoshimasa stated his willingness to meet Chinese counterpart Wang Yi on the sidelines of the UN General Assembly (UNGA) opening meeting, while stressing that nothing had been decided. One reason for the ambiguity is likely to have been that Japanese conservatives, having opposed Hayashi's appointment as foreign minister—Hayashi had been head of a China-Japan friendship organization before assuming his post—are very wary of what he might do. In the end, Hayashi, claiming "scheduling difficulties," did not meet Wang. However, he pledged to continue to seek dialogue. This was not the first postponement: the two had been scheduled to meet at an ASEAN meeting in early August, but Wang Yi canceled the talks due to Nancy Pelosi's trip to Taiwan. A few weeks after the UN gathering, Japan's top national security adviser Akiba Takeo and Chinese counterpart Yang Jiechi met in mid-August in Tianjin, but reached no agreement on outstanding issues.

Kishida met Xi on the margins of the Asia Pacific Economic Cooperation (APEC) leaders' forum In Bangkok in mid-November,s their first known conversation since October 2021, when Xi made a brief and perfunctory congratulatory call to Kishida on his first day in office. Reportage from the two sides showed marked differences. Center-right Yomiuri, Japan's largest circulation daily, described Kishida as being proud that he had followed through on his publicly declared plan to "say what needs to be said" on matters such as Taiwan, the Diaoyu/Senkaku Islands, and demarcations between the two countries' territorial waters. The paper opined that Kishida, from an LDP faction regarded as friendly toward China, was trying to reach out to Beijing while staying keenly aware of negative views of China in Japanese domestic public opinion. The centrist economic daily Nikkei added that Kishida declined to comment on Xi's reply, saying that doing so would violate diplomatic protocol.

By contrast, Chinese state news agency Xinhua reported that Xi and Kishida reached a 5-point consensus on stabilizing and developing bilateral relations, stressing that the two countries should "be partners, not threats." According to the agency, they also agreed to open a direct telephone line as a maritime and aerial liaison mechanism under their defense departments at an unspecified early date, improve dialogue and communication between defense and maritime departments, and jointly abide by the four-point principled agreement reached in 2014. Xinhua made no mention of Kishida's remarks on areas of dispute. In an address to ASEAN+3 in Phnom Penh a few days earlier, Kishida said that China was continuously and increasingly taking actions that infringe on Japan's sovereignty and escalate tensions in the region, adding that peace and stability in the Taiwan Strait are important for regional security and voicing "serious concern" over the human rights situation of the Uyghur people. China's foreign ministry termed Kishida's statement on Chinese actions relating to sovereignty <u>absurd</u>, since China—relying on its own definition of the demarcation of territory—had never violated Japan's sovereignty in the East China Sea. Continuing with its anti-China strategy, the foreign ministry spokesperson warned, might result in "severe damage in almost all spheres, be they the economy or the military." After a Spanish NGO claimed that China may have established two overseas police bases in Japan - a report that Tokyo apparently took seriously -- the foreign ministry informed its Chinese counterpart that any activities that could infringe on Japan's sovereignty were "absolutely unacceptable."

Speculation in Japan on who would be designated to attend the state funeral of former Prime Minister Abe was settled in late September when Beijing announced that China's representative would be Wan Gang, vice chairperson of the National Committee of the Chinese People's Political Consultative Conference. Wan is not a member of the Communist Party and is of lower rank than Vice President Wang Qishan, who attended the state funeral of Oueen Elizabeth II. Whether this was a calculated insult was debatable, since the choice of a lower-level representative could reflect the fact that Abe was not prime minister at the time of his death. Those who disagreed pointed out that the prime ministers of Canada, India, and Singapore would attend as well as numerous former prime ministers of other countries and US Vice President Kamala Harris. Trudeau had to cancel

at the last minute when devastating storms knocked out power and destroyed homes in eastern Canada.

The activities planned for the commemoration on the 50th anniversary of the normalization of China-Japan relations, once hoped to serve as a harbinger of warmer, or at least warming, ties, were a disappointment. Several events were sponsored by private groups such as trade associations or Sino-Japanese friendship organizations. Neither Xi Jinping nor Kishida attended. Underscoring that warmer words did not signal a softening on issues dividing them, on the day before the anniversary, three Chinese coast guard vessels entered Japan's territorial waters near the Senkaku Islands and stayed for more than eight hours. Tokyo lodged its standard stern protest with Beijing over the intrusion, which it said violated international law. Since China claims sovereignty over the islands, Beijing continues to maintain that there is no such violation. Associated Press described Tokyo's major event commemorating anniversary of China-Japan diplomatic ties as lacking a celebratory mood. The 850 guests saw videos on the development of ties, listened to Chinafriendly former Prime Minister Fukuda Yasuo discourse on the need for constructive relations, and heard the Chinese ambassador proclaim once again that bilateral ties were at a crossroads. A similarly low-key reception marking the anniversary was held in Beijing, at the Diaoyutai state guesthouse. Remarks on the need for dialogue notwithstanding, there was no mention of plans for a long-postponed state visit.



Figure 1 A reception is held by the Chinese embassy in Japan to celebrate the 73rd anniversary of the founding of the People's Republic of China and the 50th anniversary of the normalization of diplomatic relations between China and Japan in Tokyo on Sept. 22, 2022. Photo: Xinhua

As China shored up support among countries that were recipients of its financial largesse through the Belt and Road Initiative, Japan stepped up its own aid initiatives. Contrasting Japanese aid with that of Japan, the normally China-friendly South China Morning Post cited analysts who characterized Japanese aid to Africa as favoring quality, in contrast to Chinese aid that concentrated on quantity. Japan, the paper added, has been investing in the continent for longer than China and applies international standards to its infrastructure financing, whereas China does not. Although Japan's pockets may not be as deep, its support of good governance and democratic principles makes it a tempting development partner for African states.

Japan reached out to other states who were concerned with countering Chinese expansion. The first formal meeting of the Blue Pacific Partners (BPP), intended to keep China in check by providing large-scale economic assistance to Pacific Island nations, was held in New York in September with members Japan, Australia, Britain, and New Zealand, joined by Canada and Germany who announced their intention to join. Topics included climate change, illegal fishing, infrastructure development, and other issues that are a priority for Pacific Island states. In September, an ad entitled "Japan's Vision for the Indo-Pacific" appeared in major newspapers such as The Wall Street Journal inviting readers to click to "discover more." Doing so directed them to a lengthy <u>article</u> on Japan's efforts to create business partnerships along the lines of Prime Minister Kishida's aim to create a new form of capitalism whose focus is sustainability and accelerating growth through human capital. Such ads may be a result of the Japanese government's finding, referenced in the previous reporting period, that in contrast to China, that it was not receiving adequate credit for aid to the region. Along the same lines, "Envisioning a Future Together," a paid <u>article</u> in Nikkei on the same day, featured CEO Kashitani Ichiro describing Toyota Tsusho's 100 years in Africa, where it employs 2,000 people and operates in mobility, health care, consumer goods, power, infrastructure, and technology.

Taiwan remained a major irritant between China and Japan, with the Japanese government several times affirming its position that an attack on Taiwan was an emergency for Japan and China, with China riposting that the status of Taiwan was an internal matter for China that brooked no interference. Speaking in Taiwanese (Hoklo) at

the inauguration of the Taiwan Parliamentary All-Out Defense Committee, the deputy head of Japan's de facto embassy in Taipei, the Japan-Taiwan Exchange Association, Yokochi Akira, received a standing ovation when he reiterated former Japanese Prime Minister Abe's remark equating a Taiwan emergency with a Japanese emergency. In September, Taiwan's Hongmaogang temple <u>unveiled</u> a larger than life bronze statue of Abe inscribed "eternal friend of Taiwan" on its pedestal. The temple, in Kaohsiung, has been worshiping the deity of a World War II Japanese naval officer for the past 70 years, and has a close relationship with Japan. At least three separate delegations of Diet members visited Taiwan during the report period; during one of them, the temple announced that it had <u>commissioned</u> an additional statue of Abe that would be presented as a gift to Japan.

The lawmakers also paid tribute at the grave of Taiwan-friendly former President Lee Teng-hui, met Taiwanese President Tsai Ing-wen, and were shown the proximity of Taiwan to Japan's Yonaguni Island. In another visit, LDP policy chief Hagiuda Koichi, regarded as a likely successor to Kishida as prime minster, praised Taiwan as an extremely important partner and valued friend of Japan with whom Japan shares fundamental values such as liberal democracy, basic human rights, and the rule of law as well as economic relations and personal exchanges. As with other delegations, Hagiuda visited Tsai and paid respects at the grave of former President Lee.

There were a few bright spots in the generally frosty political relationship. On the anniversary of normalization, the China friendly center-left Asahi, Japan's second-largest circulation daily, ignoring poor bilateral relations, ran a story headlined "Young Japanese, Chinese Hold No Hard Feelings About History," containing a number of anecdotes and interviews from both sides about coming to appreciate the other's culture, accompanied by a photo of a young Japanese woman eating, and saying how much she had come to enjoy, China's legendarily odiferous stinky tofu. On the same day, Xinhua reported that Japan had issued commemorative stamps with pictures of giant pandas eating bamboos surrounded by crimson peonies and pale pink cherry blossoms. A lantern festival at Japan's Manpukuji temple, founded by a Chinese monk in the 17th century, commemorated the 350th anniversary of his death and the 50th

anniversary of the establishment of China-Japan relations. Visitors passed through what the temple called a gate of friendship and admired grounds that were illuminated by 30 lanterns sent by Chinese craftsmen. In December, China's consul-general in Osaka announced that giant panda Eimei/Yong Ming had been appointed a special envoy for China-Japan friendship, though how effective Eimei/Yong Ming can be in this new role is problematic since he is to be repatriated in February. In an odd choice of words, the consul-general in Osaka said that he hoped "more Japanese people can turn love for pandas into love for humanity." But the prevailing mood remained pessimistic.



Figure 2 A bronze statue of former Japanese Prime Minister Abe Shinzo, inscribed "eternal friend of Taiwan", on its pedestal at Taiwan's Hongmaogang temple. Photo: Chang Chi-hsiung via Taipei Times

Economics

Both China and Japan struggled with currency problems. Chinese economic production declined as a result of stringent anti-COVID lockdown restrictions added to its already shaky financial system, higher energy prices, and a distressed property sector that amounts to a fifth of the nation's GDP. The value of both the yuan and the yen declined, with the former teetering on the edge of seven to the dollar and the latter plunging to a 24-year low. As the year ended, Chinese manufacturing and service-sector activity <u>fell</u> to

their lowest levels since the initial days of the coronavirus pandemic in early 2020 with major financial analysis group Rhodium <u>predicting</u> that even the best COVID endgame is unlikely to deliver a rosy 2023 and that in the absence of major structural reforms growth of 0.5% is likely; assuming successful reforms, 1–3% was possible. Since China is Japan's largest trading partner, its economy inevitably suffers a knock-on effect from a declining Chinese economy.

There were fears on both sides that the "hot economics, cold politics" of recent decades could not be sustained indefinitely and that decoupling would affect corporate bottom lines. At the end of September, signaling that the Chinese government remained eager for Japanese investment, Premier Li Kegiang held a high-level video dialogue with representatives of the including business community, executive members of Nippon Keidanren (Japan Business Federation), the Japan-China Economic Association and the Japan-China Investment Promotion Organization. Topics ranged from China-Japan relations, economic and trade cooperation, responses to global economic and financial challenges, climate change, and population aging, with Li welcoming the Japanese business community to continue to seize development opportunities and actively expand its presence in the Chinese market to achieve win-win results. Li expressed his hope that they would make good use of the Regional Comprehensive Economic Partnership (RCEP), which the Japanese government had signed onto with some misgivings, to tap regional economic growth potential. It is no accident that Japanese business interests were sponsors of several events related to the 50th anniversary of normalization ceremonies.

A number of Japanese industries have been decoupling from China, either reshoring or moving operations elsewhere out of concern to protect supply chains from disruption or from concerns with national security. Though Chinese sources tended to blame recent US pressure for decoupling, in fact the number of Japanese companies operating in China had been declining for more than a decade from 14,394 in 2012—not coincidentally the year of large anti-Japanese riots and demonstrations against Tokyo's purchase of three of the Senkaku islands from their Japanese owners—to 12,706 in June 2022. Japanese credit research company Teikoku Databank Ltd, attributed the drop not to US pressure but to rising labor costs that prompted Japanese companies to move to Southeast Asia and other regions. Japanese business executives have also complained about bothersome and arbitrary regulations.

In December, the Financial Times reported that many carmakers were quietly cutting ties with China due to supply chain issues amid concerns about a breakdown in China's relations with the international community, as with Russia, that could threaten trade plus uncertainty about COVID. According to experts interviewed by the paper, China is not the only nor even the best supplier of vehicle parts with numerous options across India, Mexico, and parts of north Africa and Asia. Mazda is homeshoring components, said one of the company's executives, with robustness of the supply chain becoming more important than cost as the major driving factor. Honda, using more circumspect language, is also considering "ways to cut supply chain risks." Parts for the Chinese market will consider to be manufactured in China.

Also choosing to leave was Daikin Industries, one of the world's leading manufacturers of air conditioners, which announced plans to create a supply chain that excludes China. Daikin will replace Chinese parts in its products by January 2024 with Japanese-made parts, including those that conserve energy and will encourage suppliers to manufacture their products outside China. Many of the firms choosing to leave cited national security implications as motivation.

November, the Japanese government announced that it would earmark ¥1.358 trillion (\$10.3 billion) in its second extra budget of fiscal 2022 to strengthen supply chains of products such as semiconductors, cloud computing devices, batteries, and rare earth elements that are considered highly important for economic security. A week later, eight major Japanese firms agreed to form a new company called Rapidus to produce next-generation semiconductors in Japan with the goal of establishing the manufacturing technology for the sake of Japan's economic security by the latter half of the 2020s. Rapidus plans to <u>develop</u> 2 nanometer (2 billionths of a meter) semiconductors, for which the production technology has not yet been established. The eight firms—Toyota Motor Corp., NTT Corp., Sony Group Corp., NEC Corp., SoftBank Corp., Denso Corp., Kioxia Corp. (formerly Toshiba Memory Corp.), and MUFG Bank—will invest ¥7.3 billion in Rapidus. The firm will collaborate in research

development with the Leading-edge Semiconductor Technology Center (LSTC), a technology-research association established as early as the end of this year under the stewardship of the Ministry of the Economy, Trade and Industry (METI). The LSTC will be established based on an agreement between the Japanese and US governments reached in July and will work with US companies such as IBM Corp. and US research institutions. Rare earths, a field in which China had achieved virtually complete dominance in refining, was another concern. At the end of October, the Japanese government announced that it planned to deploy technology tested off the coast of Ibaraki to extract the elements from 6,000 meters under the sea near the Ogasawara Islands. The government wants private companies to enter the market from fiscal 2028.

It seemed that most Japanese companies planned to stay in China, or at least keep manufacturing items there intended for the Chinese market. In several industries, this meant expanding operations in China rather than scaling back or reshoring. In the case of convenience stores, Japan's three largest chains—Lawson, Family Mart, and Seven-Eleven—having saturated the domestic market, are rapidly increasing the number of outlets across China. The Chinese government, aware of popular dissatisfaction with food supplies during the pandemic, encouraged the expansion of convenience stores. In a second case, reacting to a decline in the domestic demand for sake, Japanese brewers are rapidly increasing exports to China, which are now about 50 times larger than a decade ago. By contrast, demand in Japan has dwindled to less than 30% of its peak nearly five decades ago. Companies in areas besides food and drink also expanded operations. In November, leading Japanese furniture retailer Nitori opened its first stores in Beijing, hoping to increase its total Chinese outlets from 59 to 100 by the end of 2023. Nitori, like Ikea, is unusual in that it designs, produces, and sells its own products. In the same month, in anticipation of easing restrictions on COVID, upscale children's brand Miki House made a deal with Trip.com. one of China's largest travel agencies, offering product discounts and other perks for tourists staying at designated kid-friendly hotels featuring Miki House products, including Miki Housethemed children's beds and toys. Collaborative operations continued: Japan's giant Sumitomo Corporation signed a partnership agreement with an Indonesian partner of PowerChina to jointly develop a hydroelectric power station estimated to cost \$17.8 billion on the island of Borneo. Toyota-based Chinese autonomous vehicle company Pony.ai will collaborate with Chinese state-owned and largest automaker SAIC to produce a fully driverless robotaxi. The startup is valued at \$8.5 billion. In sum, apart from national security-related areas, decoupling has been selective: the outlook is for a continuation of hot, or at least warm, economics.



Figure 3 Japanese company Sumitomo Corp. signs an agreement with the Indonesian partner of Power Construction Corp. of China to jointly develop a hydroelectric power station. The project, called Kayan Cascade, is part of China's Belt and Road Initiative. Photo: Frwida Maulia via Nikkei Asia

Defense

The major story in this period concerned Japan's revision of its defense policy. Perhaps not coincidentally, the first meeting of the panel met at the prime minister's office on the anniversary of the normalization of China-Japan diplomatic Prime Minister Kishida relations, with instructing the 10 experts, headed by former Ambassador to the US Sasae Kenichiro, that no option was to be ruled out. Topics mentioned included strategies to be employed, how best to equip the Self-Defense Forces (SDF), and how to obtain the necessary financial resources. The experts were instructed to compile their recommendations by early December in preparation for the revision of three defenserelated documents, including the National Security Strategy, and the compilation of the budget by the end of the year. Topics of their deliberations appeared periodically in the press: cyberdefense would be a major component of projected reforms; a framework would be created for the utilization of space that included a plan to increase the use of space by the Self-Defense Forces and the Japan Coast Guard, among others. A recurring theme was the need to improve inter-service cooperation. This included plans

for the MSDF and coast guard to conduct a joint drill simulating an armed attack on the Senkaku Islands. After the exercise, which would be held for the first time, guidelines on procedures would be compiled concerning the coast guard's involvement in the event of an armed attack. Another worrisome vulnerability has been a sharp decline in the number of industries doing defense work. Those choosing not to continue to participate cite low profit margins and bothersome regulations.

As the experts' deliberations proceeded, Chinese ships continued to sail into waters claimed by Japan and to harass Japanese fishing boats. Sometimes their activities were coordinated with exercises by Russian ships, causing concern in Tokyo about tag-teaming, given the confluence of Chinese claims in the East China Sea and Russia's control of islands in the southern Kuriles that are claimed by Japan. By the end of the year, Chinese coast guard vessels had intruded on territorial waters <u>claimed</u> by Japan for over 72 hours, the longest continuous intrusion since 2012. In November, a coast guard vessel armed with a 76mm gun heretofore seen only on navy ships, entered Japan's territorial waters for the first time. Beijing apparently seeks to normalize such sailings.

The urgency of enhanced defense was underscored when Chinese missiles landed within Japan's exclusive economic zone. The defense ministry plans to put two surveillance satellites into operation and is reportedly also considering adding a function to the second satellite to interfere with the activities of Chinese and Russian killer satellites in orbit. The government continued to take steps to protect the country's outlying islands, for example planning to <u>reinforce</u> missile and electronic warfare units stationed on the Nansei Islands near Taiwan. To strengthen the defense of these islands, the SDF will get Israeli Harop and US Switchblade drones on a trial basis beginning in FY2023 (the Japanese fiscal year begins April 1). From 2025, several hundred drones, including those of Japanese manufacture, will be deployed. The decision on deploying drones came a few days after China announced that it had developed an equivalent to the Switchblade, the FH-901, which can either be launched from the ground or released by an aircraft in the sky, including from another, larger, drone. Also to be deployed is a network of 50 compact satellites in a low Earth orbit to track next-generation hypersonic missiles capable of evading current defense

systems. The satellites, designed to work together in a coordinated and integrated manner, will make frequent passes over specific targets, giving Japan an additional window to assess whether enemy military units are preparing to mount hostile action. The deployment of hypersonic missiles by 2030 is being weighed, envisioned as the third and final stage of a process preceded by the acquisition of Tomahawk and other battle-tested cruise missiles from the US and then extending the range of the indigenous Type 12 surface-to-ship missile from the current 200 km to over 1,000 km. The defense ministry has submitted a \$7.1 billion request for a sea-based Aegis system that is to be installed on a new, larger destroyer that would be the size of an aircraft carrier. Citing China's mounting military pressure in the region, the Japanese defense ministry announced that it will move command centers underground at four SDF facilities by fiscal 2028 and implement measures against electromagnetic pulse attacks at five ASDF bases by fiscal 2029 in preparation for such situations as an emergency in Taiwan. It will also begin building evacuation shelters for residents of Okinawa Prefecture's Sakishima Islands, which is close to Taiwan.

The Chinese government railed against these developments, with Chinese foreign ministry spokesperson Wang Wenbin describing Japanese concern with a "China threat" as an excuse for aggrandizement. Beijing, already concerned about the AUKUS agreement for the UK and the US to build nuclear submarines for Australia, warned Tokyo against participating in a JAUKUS, saying that doing so would create more strategic instability for the whole Asia-Pacific region and accusing the US of wanting Japan as an obedient little brother it can use as a front-line base against China and Russia. China Daily warned that "dancing with the wolf is not going to help you, dear Japan...It is in the nature of wolves to attack humans and consume their flesh."

The defense revisions were not without controversy within Japan. In a <u>poll</u> published in October, 79% percent of respondents favored increased defense expenditures and 21% were not, although a November <u>poll</u> showed that although 79% of Japanese feel a sense of crisis about the situation in Taiwan, 74%, were opposed or relatively opposed to the SDF joining with the US military to fight the Chinese military. Only 22% indicated approval or relative approval. *Asahi* kept up a steady stream of criticism against

the cost of the reforms, the haste in which the committee formulated its proposals, and the fact that the final report was "a done deal," whose timing was wrong since Kishida should have waited for an official decision on whether Japan should possess the capability to pre-emptively strike enemy bases that is a major reason for the increase. In addition, with national debt exceeding ¥1 quadrillion, the paper complained, it was beyond irresponsible to simply dump all the burden on future generations. There had in fact been quite a controversy in the deliberations, with the LDP's junior coalition partner the Komeito being resolutely opposed to including the acquisition of counterstrike capabilities and to referring to China as a threat. Komeito was able to pull the defense policy debate in a more dovish direction, agreeing to counterstrike under restricted conditions, capabilities changing "serious security threat" "unprecedented strategic challenge" blocking the LDP's desire to scrap a legal provision stating that the coast guard will not function as a "military" organization. The revised security documents only say that the coast guard should "constantly coordinate and cooperate" with the SDF. Chinese sources immediately denounced the documents and on Dec. 17, a day after their release, conducted <u>drills</u> that simulated attacks on Japan's Nansei Islands.

Chinese anger and Asahi's opposition notwithstanding, how much of the strategy will come to fruition remains to be seen. Many of the reforms are not expected to be implemented until 2025 or later. And, although there is broad consensus on raising taxes to pay for the reforms and increase defense spending to 2% of GDP, the thorny question is taxes on whom and in what form. The same is true on stemming the exodus of companies producing defense-related items: what should the level of subsidies be and what form would the government-private partnership take. On the reform of the SDF, improving interservice coordination and integrating the coast guard into its operations have been talked about for decades with little progress. Staffing levels for the SDF are an ongoing problem since the forces have not been meeting recruitment quotas for years and the new strategy does not boost the size of the SDF above a ceiling of 247,000 set a decade ago. According to former and current SDF officers, Japan's plan to undertake its biggest military build-up since World War II without increasing the services' headcount is flawed, casting doubt over efforts to deter China and North Korea. Improved technology will require trained personnel to operate and maintain the equipment. While pivoting to drones could help, doing so would take years and require additional trained staff.

The Future

Despite generally amicable trade relations, the outlook for 2023 gives little hope for optimism. As the year closed, Xi Jinping and Vladimir Putin affirmed their mutual support -- always a concern for Japan because of its implications for Sino-Russian cooperation over disputed territories in the East China Sea and the Southern Kuriles—while Kishida prepared for a state visit to Washington to meet US President Joe Biden, whom Chinese state media regularly portray as a puppet master manipulating Japan into an anti-China stance. Chinese sources warn that Japan is returning to militarism even as the PLA continues to patrol contested areas and China announces the latest advances in its military's high-tech weaponry. Hopes that celebrations of the 50th anniversary of the normalization of diplomatic relations would soften political interaction were dashed, nor have occasionally thoughts that tourism, interchanges, and exchanges of art objects would lead to better mutual understanding been borne out. Student exchanges and tourism are not necessarily problem free and have sometimes increased animosity. If Kishida and Foreign Minister Hayashi have not been as compliant as Xi had hoped —and that Japanese conservatives dreaded they would be—there is little hope that their successors will be an improvement from Beijing's point of view. Speculation in Japan is that LDP policy chief Hagiuda's trip to Taiwan was intended to position himself as the heir to Taiwan-friendly Abe's legacy and to his prime ministership as well. China Daily, began a yearend piece with the hopeful title "shared destiny bound to bring neighbors together" but followed admonishing Japan for a litany of transgressions including military expansion and decoupling, contrasting its behavior with China's consistent policy of peace and promoting economic interdependence. Barring a major event like a Chinese invasion of Taiwan, the future is likely to be a cold peace in which Tokyo and Beijing try to coexist while dealing with underlying tensions that have the potential for escalation into outright confrontation.

CHRONOLOGY OF JAPAN-CHINA RELATIONS

SEPTEMBER — DECEMBER 2022

- **Sept. 1, 2022**: In light of Japan's deteriorating national security environment, the defense ministry <u>requests</u> a 3.6 % increase for fiscal 2023, just below last year's record-setting amount.
- **Sept. 1, 2022:** Chinese Foreign Ministry spokesperson Wang Wenbin <u>describes</u> Japanese concern with a "China threat" as an excuse for military expansion.
- **Sept. 2, 2022**: An article in right-of-center *Japan Forward* <u>accuses</u> Chinese behavior of replicating that of militaristic Imperial Japan.
- **Sept. 2, 2022**: Reports <u>say</u> Japan's Defense Ministry plans to reinforce missile and electronic warfare units stationed on the Nansei Islands near Taiwan.
- **Sept. 3, 2022**: Lu Chao, research fellow at the Liaoning Institute of Social Sciences, <u>tells</u> *Global Times* that Japan remains a factor of uncertainty and a disturber of regional peace and security.
- **Sept. 3, 2022:** LTG Stephen Rudder, commander of US Marines in the Indo-Pacific region, <u>says</u> that US and Japanese possession of long-range missiles are key to deterring China, and urges a wider US-Japanese intelligence gathering network.
- **Sept. 3, 2022**: *Yomiuri* editorial <u>urges</u> China to rectify its behavior based on violations cited in the report of the UN High Commissioner for Human Rights.
- **Sept. 3, 2022**: Japanese Foreign Minister Hayashi <u>states</u> his willingness to meet Chinese counterpart Wang Yi on the sidelines of the UN General Assembly's opening meeting, while stressing that nothing has been decided.
- **Sept. 3, 2022:** Japan's Defense Ministry reportedly <u>plans</u> to submit a \$7.1 billion <u>request</u> for a sea-based *Aegis* system to be installed on a new, larger destroyer that would be the size of an aircraft carrier.

- **Sept. 5, 2022**: *Global Times* states that unless Japan is willing to resolve key points of friction in its China policy, nothing can be accomplished.
- **Sept. 6, 2022**: Chief Cabinet Secretary Matsuno Hirokazu <u>expresses</u> serious concern about six Russian and Chinese warships firing machine guns into the Sea of Japan during joint maneuvers off Hokkaido.
- **Sept. 6, 2022**: Defense Minister Hamada Yasukazu <u>says</u> that more fuel and ammunition storage facilities will be stored on the Nansei Islands.
- **Sept. 6, 2022:** Global Times <u>praises</u> the introduction of Japanese dramas into China over the past several decades as enabling Chinese to better understand "their close neighbors across the sea."
- **Sept. 7, 2022**: *Yomiuri* poll <u>reports</u> that 81% of respondents view China as a threat; 15% do not.
- **Sept. 7, 2022**: Reports <u>say</u> that, with China in mind, Japan will revise its Overseas Development Assistance (ODA) program for the first time since 2015, stating that unilateral attempts to change the status quo will not be tolerated.
- **Sept. 8, 2022**: High energy prices, inflation, antivirus lockdowns, and problems in the property market <u>combine</u> to depress Chinese economic growth in August. Worrisomely for Japan, whose economy is heavily dependent on Chinese purchases, Chinese non-energy imports also declined.
- **Sept. 8, 2022:** *Asahi* <u>editorializes</u> that revisions to Japan's national security strategy which could radically change the nation's defense-only policy must be done with transparency and respect for dissenting views.
- **Sept. 8, 2022**: Professor at the Central Committee's Party School <u>acknowledges</u> current difficulties in China's international situation and placed the onus of improvement on China.

- **Sept. 9, 2022**: Responding to mutual anxieties about Chinese activities, Japanese and Indian foreign and defense ministers <u>meet</u> for their second two-plus-two dialogue.
- **Sept. 9, 2022:** Four Chinese Coast Guard *Haijing*-class vessels <u>sail</u> into Japanese-claimed territorial waters around the Diaoyu/Senkaku Islands on Sept. 8, staying for about 90 minutes. This is the first such intrusion since August 25 and the 20th of this year.
- **Sept. 9, 2022**: Citigroup <u>reports</u> that central banks of China and Japan seek to stem the slide in their currencies that have hurt not only their economies but those of Asian currencies, since they are increasingly tied to the yen and the yuan, with the latter having stronger influence since 2009.
- **Sept. 9-10, 2022:** On the 10th anniversary of Tokyo placing most of the disputed Diaoyu/Senkaku Islands under government control, Chief Cabinet Secretary Matsuno <u>expresses</u> "extreme concern" over Chinese activities in the area.
- **Sept. 10, 2022**: *Nikkei* envisions an era of cold peace for Sino-Japanese relations in which the two try to coexist peacefully while dealing with simmering tensions and potential confrontation.
- **Sept. 12, 2022**: Nippon.com <u>carries</u> lengthy article detailing the achievements of Japanese ODA to China while noting that Beijing's reticence to inform the Chinese public about Japanese contributions has limited its ability to create mutual understanding.
- **Sept. 12–13, 2022:** In a video message to a symposium on the run-up to 50th anniversary of normalization organized by the Chinese embassy and major business organization Keidanren, Foreign Minister Wang Yi <u>calls</u> on the Japanese government to exercise caution on Taiwan and avoid incentivizing advocates of Taiwanese independence. *Xinhua* <u>reports</u> that Wang Yi said that good-neighborliness and friendship, and the development and revitalization of Asia are the destinies, aspirations, and responsibilities of China and Japan.
- **Sept. 13, 2022**: Recognizing the vulnerability of Japan's cyberdefenses, the government <u>explores</u> introduction of an active cyber defense network (ACD) that would continuously monitor

- cyberspace and respond quickly to suspicious communications and behavior.
- **Sept. 13, 2022**: Following Russian-Chinese military drills off the Sea of Japan earlier in September, the MSDF and Indian navies <u>conduct</u> exercises in the strategically important Bay of Bengal. The helicopter carrier *Izumo* and destroyer *Takanami* were joined by Indian destroyer *Ranvijay* and frigate *Sahyadri*.
- **Sept. 14, 2022:** To strengthen defense of the remote islands, mainly the Nanseis, the SDF will receive Israeli *Harop* and US *Switchblade* drones on a trial basis beginning in FY2023.
- **Sept. 15, 2022**: Japan joins Taiwan and South Korea in a US-led "Chip 4" Alliance as a bulwark against China's semiconductor industry.
- **Sept. 15, 2022:** US Secretary of defense Lloyd Austin and Japanese counterpart Hamada Yasukazu strongly <u>condemn</u> China's military exercises near Taiwan and its firing of ballistic missiles that landed in Japan's Exclusive Economic Zone.
- **Sept. 15, 2022:** Taiwan <u>designates</u> two former legislative chiefs, Su Jia-chyuan, currently head of the Taiwan-Japan Relations Association, and former speaker of the Legislative Yuan Wang Jinpyng, to attend former Prime Minister Abe's funeral
- **Sept. 15, 2022**: Two Chinese *Luyang II* missile destroyers <u>sail</u> between the main island of Okinawa and Miyakojima without entering Japanese territorial waters.
- **Sept. 16, 2022**: A Chinese survey vessel <u>enters</u> Japan's territorial waters near Kagoshima in the seventh such intrusion since July.
- **Sept. 17, 2022**: A gala themed "neighbors across a narrow strip of water co-creating the future" hosted by the Union of Chinese Residing in Japan, features representation of what *Xinhua* calls warm moments in exchanges between China and Japan through dances, songs, and instrumental music performances.
- **Sept. 18, 2022**: Notwithstanding the warm words about friendship that marked the Sept. 17 gala, events throughout China <u>mark</u> the 91st anniversary of the Shenyang Incident of 1931 that

the PRC government regards as the beginning of the second Sino-Japanese War.

Sept. 19, 2022: At the <u>opening</u> of the two-day Taiwan Plus cultural festival in Tokyo, Gov. Yuriko Koike <u>sends</u> regards to Taiwan President Tsai Ing-wen and her hope for closer Tokyo-Taiwan ties.

Sept. 20, 2022: Japanese government sources disclose that representatives of France, Germany, and South Korea will <u>attend</u> the meeting of the Partners in the Blue Pacific founded to counter China's expansionism in the area.

Sept. 20, 2022: Daikin Industries, one of the world's leading manufacturers of air conditioners, announces <u>plans</u> to create a supply chain that excludes China.

Sept. 20, 2022: Writing in the official Renmin Ribao, "Zhong Sheng" (Voice of the Center, a pseudonym for a high-ranking figure) urges that Japan <u>destroy</u> chemical weapons it abandoned in China after World War II.

Sept. 20, 2022: China reacts to news of a face-to-face meeting between Biden and Kishida by describing it as a <u>plan</u> to make Japan a stronger pawn to thwart China's "re"-unification, also raising the specter of reviving Japanese militarism.

Sept. 20, 2022: Taiwan's Hongmaogang Bao'an temple will <u>unveil</u> a full-size statue of former Prime Minister Abe ahead of his state funeral on the 27th.

Sept. 21, 2022: "Japan's Vision for the Indo-Pacific," an ad in newspapers such as *The Wall Street Journal*, <u>invites</u> readers to click to "discover more" which directs them to a lengthy article on Japan's efforts to create business partnerships along the lines of PM Kishida's aim to create a new form of capitalism focused on sustainability and accelerating growth through human capital.

Sept. 21, 2022: "Envisioning a Future Together," a paid <u>article</u> in *Nikkei*, <u>features</u> CEO Kashitani Ichiro describing Toyota Tsusho's 100 years in Africa, where it employs 2,000 people and operates in mobility, health care, consumer goods, power, infrastructure, and technology.

Sept. 21–22, 2022: Referencing the meeting of Kishida with British Prime Minister Liz Truss at the opening of the UN General Assembly, *Global Times* <u>accuses</u> the UK of hoping to regain its lost glory of the empire on which the sun never set, and that Japan has similar ambitions.

Sept. 22, 2022: Wan Gang, vice-chairperson of the National Committee of the Chinese People's Political Consultative Conference, <u>announced</u> as China's representative to Abe's funeral.

Sept. 22, 2022: First formal meeting of the Blue Pacific Partners (BPP) is <u>held</u> in New York with members Japan, Australia, Britain, and New Zealand joined by Canada and Germany who announce their intention to join.

Sept. 22, 2022: Chinese Premier Li Keqiang holds high-level video dialogue with representatives of the Japanese business community including executive members of Nippon Keidanren (Japan Business Federation), Japan-China Economic Association and the Japan-China Investment Promotion Organization.

Sept. 24, 2022: Chinese media <u>report</u> that the PRC air force now has its first dedicated drone squadron, a seed unit currently stationed in northwest China.

Sept. 24, 2022 FM Hayashi <u>reports</u> that due to "scheduling conflicts," he is unable to meet Chinese counterpart Wang Yi during the the opening of the UNGA in New York.

Sept. 27, 2022: Toyota-based Chinese autonomous vehicle company Pony.ai will collaborate with Chinese state-owned and largest automaker SAIC to produce a fully driverless robotaxi.

Sept. 28, 2022: Three German fighter jets conduct <u>exercises</u> with Japan's ASDF.

Sept. 28, 2022: Japan Coast Guard <u>says</u> that three Chinese coast guard vessels enter Japan's territorial waters near the Senkaku Islands and stay for more than eight hours, a day before the 50th anniversary of the normalization of the countries' diplomatic ties.

Sept. 28, 2022: Japanese Defense Ministry reveals that three Chinese ships, including a *Renhai*-class missile destroyer, sailed about 300

km south-southeast of the southernmost point of land on Honshu on the 26th.

Sept. 29, 2022: Number of Japanese companies operating in China <u>declines</u> to 12,706 in June 2022 from 14,394 in 20212, according to Japanese credit research company Teikoku Databank Ltd, attributing the drop to rising labor costs that prompted companies to move to Southeast Asia and other regions.

Sept. 29, 2022: Indicating the current <u>chill</u> in Sino-Japanese relations, commemorative ceremonies marking the 50th anniversary of normalization are organized by private organizations in Tokyo, but no official government-to-government events are scheduled.

Sept. 30, 2022: Ceremony <u>commemorating</u> the 50th anniversary of Sino-Japanese diplomatic ties is described as lacking a celebratory mood.

Oct. 1, 2022: First meeting of an expert panel to comprehensively discuss Japan's national defense capabilities, including how to equip the SDF, the size of the budget, financial resources and other issues, is held at the prime minister's office.

Oct. 2, 2022: China–friendly *South China Morning Post* cites analysts who characterize Japanese aid to Africa as favoring quality, in contrast to Chinese aid that concentrates on quantity.

Oct. 3, 2022: Nationwide poll by Yomiuri reveals that 71% of respondents are in favor of Japan strengthening its defense capabilities, far more than the 21% who were opposed to any measures.

Oct. 3, 2022: Yomiuri <u>editorializes</u> against the exodus of Japanese companies from defense production, citing the risk of relying on others.

Oct. 4, 2022: Japanese government official <u>states</u> that North Korea's launch of a ballistic missile that flew over Japan underscores the need to strengthen Japan's defense capabilities.

Oct. 5, 2022: Japan's Defense Ministry <u>reports</u> that a Chinese navy *Dongdiao* class intelligence-gathering ship passed through the Tsushima Strait and then entered the East China Sea, but did not intrude into Japan's territorial waters.

Oct. 5, 2022: Senior fellow of the China division of Japan's National Institute for Defense Studies warns against underestimating China's ability to wage cognitive warfare, which he characterizes as a mixture of truth and falsehood that makes it difficult to make accurate judgments.

Oct. 6, 2022: Japan's Sumitomo Corporation signs partnership agreement with an Indonesian partner of PowerChina to jointly develop a hydroelectric power station estimated to cost \$17.8 billion on the island of Borneo.

Oct. 6, 2022: *Yomiuri* <u>publishes</u> details of China's disinformation efforts aimed at influencing views of Taiwan, that have included distributing false images of military confrontations.

Oct. 9, 2022: A delegation of Japanese lawmakers <u>visits</u> Wuchihshan Military Cemetery (五指山軍人公墓) in New Taipei City to pay tribute to former President Lee Teng-hui (李登輝), praising his contributions to democracy and to Taiwan-Japan relations.

Oct. 11, 2022: Prime Minister Kishida <u>says</u> he will carry out an extensive review of Japan's defense capabilities in light of "an increasingly tough security environment in East Asia."

Oct. 11, 2022: Commenting on Japanese <u>plans</u> to create a cyberdefense framework, China's leading military newspaper says that cyberspace should not be the new domain for Japan to repeat military expansion and part of its plan to secretly revise the constitution and expand its military forces.

Oct. 11, 2022: Japan and Canada <u>agree</u> to formally start talks toward signing a military intelligence information sharing accord as their foreign ministers adopt an action plan to strengthen cooperation on defense, economic security, and other areas amid growing threats from China and Russia.

Oct. 12, 2022: Speaking in Taiwanese at the inauguration of the Taiwan Parliamentary All-Out Defense Committee, deputy director of Japan's de facto embassy in Taipei, the Japan-Taiwan Exchange Association, Yokochi Akira receives a standing ovation when he reiterates former Prime Minister Abe's remark that "a Taiwan emergency is a Japanese emergency."

Oct. 14, 2022: *Asahi* observes that a number of Japanese scholars are <u>opting</u> to do research in China because Japan's funding system pushes young researchers away, resulting in a brain drain.

Oct. 14, 2022: Global Times <u>expresses</u> concern that revision of Japan's national security strategy being discussed, will make China, which has no intention of being hostile to Japan, an imaginary enemy.

Oct. 18, 2022: Nikkei, commenting on US congressional concerns that Chinese ownership of IS farmlands was posing a threat to food security and national security, points out that LDP Diet member Sanae Takaichi had raised the same issue with regard to a company with close ties to Chinese money that acquired a parcel of land in Hokkaido roughly 35 km from an ASDF unit.

Oct. 19, 2022: LDP and Komeito are reportedly <u>split</u> over the definition of counterattack capabilities, with the major difference being interpreting the concept of "beginning an attack."

Oct. 22, 2022: As the Chinese Communist Party's 20th Party Congress closed, Japan and Australia <u>issue</u> a joint declaration calling for a "favorable strategic balance that deters aggression and behavior that undermines international rules and norms. *Yomiuri* <u>comments</u> that the two have "stepped up their military cooperation in light of developments related to China and other security issues" and demonstrated a quasi-alliance between them.

Oct. 24, 2022: Toyota <u>announces</u> the launch of a small electric sedan called the bZ3, to be powered by Chinese company BYD's less bulky Blade batteries.

Oct. 29, 2022: Japan <u>moves</u> to set up a new joint command and a new commanding officer position to oversee its SDF units and better coordinate with the US military in emergencies.

Oct. 26, 2022: Eiji Suzuki, former head of the Japan-China Youth Exchange Association who had been imprisoned in China for six years on spying charges, <u>returns</u> to Japan and calls China a dangerous country.

Oct. 26, 2022: Following a standoff between Japanese coast guard vessels and a Taiwanese research vessel, a Chinese foreign ministry spokesperson <u>rejects</u> Japan's claim to an exclusive economic zone in the waters off Taiwan.

Oct. 29, 2022: Responding to reports that the Japanese government intends to purchase US *Tomahawk* missiles as a stopgap before indigenously-produced missiles become available, *Asahi* argues that the government has gotten ahead of itself by seeking to acquire a weapons system primarily used for a capability whose legality has not yet been formally approved.

Oct. 31, 2022: Reacting to reports that the AUKUS members, and the US in particular favor inviting Japan to join a JAUKUS, *Global Times* warns Tokyo that doing so will create more strategic instability for the whole Asia-Pacific region.

Oct. 31, 2022: Reports <u>say</u> Japan's defense ministry aims to put into operation two surveillance satellites and is reportedly also considering adding a function to the second satellite to interfere with the activities of Chinese and Russian killer satellites in orbit.

Oct. 31, 2022: To counter China's dominance in rare earth minerals, the Japanese government will <u>deploy</u> technology to extract elements from 6,000 meters under the sea near the Ogasawara Islands. It wants private companies to enter the market from fiscal 2028.

Nov. 3, 2022: Japan's Defense Ministry is considering deployment of hypersonic missiles by 2030, envisioning it as the third and final stage of a process preceded by the acquisition of *Tomahawk* and other cruise missiles from the US and then extending the range of the indigenous Type 12 surface-to-ship missile from the current 200 km to over 1000 km.

Nov. 4, 2022: Japan's government will <u>earmark</u> ¥1.358 trillion in its second extra budget of fiscal 2022 to strengthen supply chains of products such as semiconductors, cloud computing devices, batteries, and rare earth elements considered highly important for economic security.

Nov. 4, 2022: Responding to reports that the US has instructed Japan to limit exports of

semiconductor technology to China, *China Daily* warns that "dancing with the wolf is not going to help you, dear Japan."

Nov. 5, 2022: Leading Japanese furniture retailer Nitori <u>opens</u> its first stores in Beijing, hoping to increase the total of Chinese outlets from 59 to 100 by the end of 2023.

Nov. 6, 2022: A lantern festival at Japan's Manpukuji temple, founded by a Chinese monk in the 17th century, <u>commemorates</u> the 350th anniversary of his death and the 50th anniversary of the establishment of Sino-Japanese relations. Visitors pass through what the temple calls a gate of friendship and enter grounds that are illuminated by 30 lanterns sent by Chinese craftsmen.

Nov. 6, 2022: Speaking at a 12-nation international fleet review at Sagami Bay, PM Kishida <u>reiterates</u> need to enhance the country's military capabilities, specifying the need for more warships, strengthening anti-missile defense, and improving the working conditions of troops.

Nov. 8, 2022: Construction is to begin in April on portable harbors to defend the Sakishima and Nansei islands against invasion. The Sakishimas, part of the Nansei group closest to Taiwan, currently has just two ports able to accommodate SDF transport vessels.

Nov. 8, 2022: Eight-day *Malabar* joint exercise, aimed at strengthening cooperation among Australia, India, Japan, and the US in light of China's increasingly aggressive maritime expansion, <u>begins</u>.

Nov. 9, 2022: As part of an effort to strengthen inter-service cooperation, the MSDF and coast guard are to <u>conduct</u> a joint drill simulating an armed attack on the Senkaku Islands.

Nov. 9, 2022: SDFs will for the first time <u>dispatch</u> a Type-16 mobile combat vehicle (MCV) to Yonaguni, the island in closest proximity to Taiwan.

Nov. 11, 2022: Eight major Japanese firms begin forming Rapidus, a new company to produce next-generation semiconductors in Japan, aiming to establish the manufacturing technology for the sake of Japan's economic security toward the latter half of the 2020s.

Nov. 12, 2022: Newly founded Rapidus semiconductor firm announces <u>plans</u> to develop 2-nanometer semiconductors, for which the production technology has not yet been established.

Nov. 12, 2022: During a brief exchange between Premier Li Keqiang and PM Kishida at the ASEAN + 3 meeting Li refers to the importance of Sino-Japanese relations while Kishida says he hope the two can strive toward building a constructive and stable relationship.

Nov. 13, 2022: *Jiji* reports poll showing that although 79% of Japanese feel a sense of crisis about the situation in Taiwan, 74% are opposed or relatively opposed to the SDF joining with the US military to fight the Chinese military, with 22% indicating approval or relative approval.

Nov. 14, 2022: Speaking at the ASEAN+3 meeting in Phnom Penh, PM Kishida tells Asian leaders that China is continuously and increasingly taking actions that infringe on Japan's sovereignty and escalate tensions in the region, adding that peace and stability in the Taiwan Strait is important for regional security and voicing "serious concern" over the human rights situation of the Uyghur people.

Nov. 14, 2022: Chinese Foreign Ministry terms Kishida's statement on Chinese actions absurd, since China has never violated Japan's sovereignty in the East China Sea. Continuing with its anti-China strategy may result in "severe damage in almost all spheres, be they the economy or the military."

Nov. 15, 2022: Japan announces <u>plans</u> to deploy a network of 50 compact satellites in a low Earth orbit to track next-generation hypersonic missiles capable of evading defense systems.

Nov. 16, 2022: Japan's Defense Ministry announces plans to develop hypersonic missiles with a range of 3,000 km, allowing them to fly from Hokkaido to the Nansei Islands to help hold off foreign troops landing on those islands, with the aim to deploy them in the first half of the 2030s.

Nov. 17, 2022: The 5th meeting of the LDP-Komeito working team on national security, includes discussion on further improving the evacuation system for residents on remote islands and of the J-Alert early warning system

that transmits emergency information nationwide.

Nov. 18, 2022: Yomiuri describes Kishida as proud that he followed through on his publicly declared plan to "say what needs to be said" to Xi Jinping on matters such as Taiwan, the Diaoyu/Senkaku Islands, and the demarcations between the two countries' territorial waters.

Nov. 18, 2022: *Xinhua* reports that Xi and Kishida reached a 5-point consensus on stabilizing and developing bilateral relations, stressing that their countries should "be partners, not threats."

Nov. 21, 2022: Stressing that it is essential for Japan to possess counterstrike capabilities, the panel on revising Japan's strategy <u>believes</u> the public should shoulder the expense through "a wide range of taxes."

Nov. 23, 2022: Japan's Advisory Panel to Comprehensively Discuss Defense Capabilities as National Strength <u>presents</u> its proposal to Prime Minister Kishida.

Nov. 23, 2022: Asahi complains that it took the Advisory Panel to Comprehensively Discuss Defense Capabilities as National Strength only four meetings over less than two months to reach its decision and demands that intensive deliberations, including opposition parties, on the panel's report be conducted in the Diet,

Nov. 24, 2022: In light of Japanese companies withdrawing from defense work due to low profit margins and small order volumes, *Yomiuri* advocates that the government increase subsidies to companies and establish a system that enhances the competitiveness of defense equipment abroad.

Nov. 24, 2022: Renmin Ribao describes China-Japan defense talks, held annually since 2012, as having gained momentum since Xi and Kishida met in Bangkok on Nov. 17 and that the two delegations agreed on further cooperation in six fields, including accelerating work on establishing a direct hotline between the defense authorities of the two nations.

Nov. 24, 2022: A Japan External Trade Organization (JETRO) survey shows that 41.9% of Japanese firms believe their operating profits in China in 2022 will fall from the previous year.

Nov. 26, 2022: In the 26th intrusion into Japanese waters by Chinese government ships this year and the first since Nov. 12-13 four China Coast Guard ships <u>sail</u> in Japanese waters around the Senkaku Islands. One is believed to be equipped with a 76mm gun, the largest of its kind mounted on such intruding Chinese vessels.

Nov. 26, 2022: Annual China Security Report, published by the National Institute for Defense Studies, <u>focuses</u> on the cognitive warfare being adopted by the Chinese Communist Party.

Nov. 26, 2022: Japanese chip equipment supplier headed by a Shanghainese <u>begins</u> to reorganize supply chains and factories in a strategy designed to access both US and Chinese markets after Washington rolled out new chip export controls.

Nov. 27, 2022: As domestic demand for sake declines, Japanese brewers are rapidly increasing exports to China, which have grown about 50 times in the past 10 years. By contrast, demand in Japan has dwindled to less than 30% its peak nearly five decades ago.

Nov. 28, 2022: Japanese government <u>announces</u> that a network of 50 small satellites working together in space will be developed for Japan's defense. The first is expected to be launched as soon as fiscal 2024, in line with the possession of counterattack capabilities to strike enemy missile launch sites for the purpose of self-defense.

Nov. 28, 2022: Mai Yamada (山田摩衣), born to a Taiwanese mother and Japanese father, is <u>elected</u> one of nine city councilors in Banciao District (板橋) in Taiwan. She describes the support she received as proof of Taiwan-Japan friendship. She is speaks Japanese, English, and Hoklo (Taiwanese).

Nov. 30, 2022: An *Asahi* editorial <u>complains</u> that the Nov. 28 announcement that the defense budget is to be increased was a done deal whose timing was wrong.

Dec. 1, 2022: Two Chinese *H*-6 bombers and two Russian *Tu*-95 bombers <u>fly</u> over the Sea of Japan, the East China Sea and the Pacific Ocean on Wednesday, prompting Air Self-Defense Force fighter jets to scramble in response. None of the four entered Japan's territorial airspace.

Dec. 2, 2022: *Yomiuri* states that the Japanese government is considering development of at least 10 types of long-range missiles as it moves toward the possession of counterattack capabilities.

Dec. 2, 2022: In a major change from its longheld previous opposition to Japan's possession of counterstrike capabilities, junior coalition partner Komeito <u>agrees</u> to broadly support them after confirming that the principle of using the minimum force necessary will be honored.

Dec. 2, 2022: Chancellor of the Prefectural University of Kumamoto Shiraishi Takashi <u>outlines</u> a four-point strategy for enhancing Japanese defense including integrating land, sea, and air military capabilities with cyberspace, electromagnetic waves, and outer space as well as the economy, science and technology, information, and other elements.

Dec. 3, 2022: Citing unnamed government sources, Kyodo <u>reports</u> that Japan is considering expanding an Okinawa-based ground force unit to defend remote southwestern islands and prepare for a contingency involving Taiwan in the face of China's increasing assertiveness.

Dec. 4, 2022: A joint public opinion poll finds that 44.5% of Japanese and 56.7% of Chinese believe that a military conflict in the Taiwan Strait is likely within a few years or in the future.

Dec. 4, 2022: Yonaguni, Japan's westernmost island and the island closest to Taiwan, <u>holds</u> its first evacuation drill on 30 November to prepare for a ballistic missile strike.

Dec. 5, 2022: Kishida <u>instructs</u> defense and finance ministers to earmark 43 trillion yen for defense spending over the five years from fiscal 2023, more than 1.5 times the 27.47 trillion yen set under the current medium-term defense capability development program.

Dec. 5, 2022: Japan <u>plans</u> to more than quadruple cyber defense personnel while increasing overall staff dealing with cyber-attacks to 20,000 by fiscal 2027, say government sources.

Dec. 6, 2022: Chinese automaker BYD <u>announces</u> that it will start sales of its electric SUV in Japan at the end of January, priced significantly lower than Japanese EV manufacturers, particularly when subsidies are added to the sticker price.

Japanese companies are not faring well in the EV car market.

Dec. 7, 2022: Draft of the National Security Strategy (NSS) presented to a working team of the LDP and Komeito <u>describes</u> China's hegemonic moves as "the greatest strategic challenge" Japan faces.

Dec. 8, 2022: In light of increased pressure from China, the head of a conservative Japanese think tank <u>advises</u> that Japan should proactively conduct information warfare operations and enhance its military capabilities to gain both Taiwanese and American confidence. China's breakthrough into Taiwan would be vitally dangerous for Japan.

Dec. 9, 2022: At two-plus-two talks with visiting Australian defense and foreign ministers in Tokyo, the two <u>countries</u> pledge to enhance defense cooperation as China's rapid military buildup in the Indo-Pacific has worsened the regional security environment.

Dec. 10, 2022: Asahi <u>editorializes</u> against the expanded defense budget on grounds that piling on debt will not only worsen the nation's fiscal health and allow unrestrained defense spending.

Dec. 10, 2022: *Yomiuri Shimbun* <u>learns</u> that a core unit for intelligence warfare to obstruct the command and control system of adversaries and counter the spread of disinformation is to be established in Japan's Maritime Defense Force.

Dec. 10, 2022: LDP policy chief Hagiuda Koichi <u>visits</u> Taiwan, praising it as an extremely important partner and valued friend of Japan with whom Japan share fundamental values such as liberal democracy, basic human rights, and the rule of law as well as close economic relations and personal exchanges.

Dec. 13, 2022: Japanese government <u>announces</u> it will include a standoff missile unit for enemy counterstrikes in the country's revised defense plans.

Dec. 14, 2022: After repeated intrusions by the China Coast Guard in waters around the Senkaku islands, the Japanese government <u>announces</u> it will increase the coast guard budget by 40% by fiscal 2027.

Dec. 15, 2022: *Nikkei* reports that the LDP's junior coalition partner Komeito was able to pull the defense policy debate in a more dovish direction, changing "serious security threat" to an "unprecedented strategic challenge" and blocking the LDP's desire to scrap a legal provision stating that the coast guard will not function as a "military" organization.

Dec. 16, 2022: Japanese Defense Ministry <u>releases</u> new defense strategy which is highly critical of Chinese activities as "a matter of serious concern for Japan and the international community."

Dec. 16, 2022: Japanese Cabinet <u>approves</u> three key security documents the main pillar of which legitimizes possession of counterstrike capabilities to destroy enemy missile launch sites and other military targets for self-defense, marking a major shift in postwar security policy.

Dec. 16, 2022: *Xinhua* reports opposition within Japan to the country's new defense strategy, stating that hundreds of citizens held rallies in front of the prime minister's official residence.

Dec. 17, 2022: A squadron of Chinese ships <u>sails</u> through straits near Japan into the Western Pacific, while Beijing castigated Tokyo's adoption of a new national security strategy that puts itself on a more offensive footing — largely as a result of the perceived threat from China.

Dec. 18, 2022: Giant panda Eimei/Yong Ming, a resident of the Osaka zoo for 12 years, is appointed a special envoy for Sino-Japanese friendship, though it is unclear how the panda can play this role since he is to be repatriated in February.

Dec. 19, 2022: Japan's largest convenience store chains, Lawson, Family Mart, and Seven-Eleven, are <u>opening</u> more outlets in China as they adapt business models to China's more restrictive logistics network.

Dec. 20, 2022: Responding to claims by a Spanish NGO that China may have established two overseas police bases in Japan, the foreign ministry, apparently regarding the claims as credible, <u>tells</u> Beijing that any activities conducted that could infringe on Japan's sovereignty are "absolutely unacceptable."

Dec. 22, 2022: Chinese sources state that Xi ordered a Chinese carrier strike group to conduct drills that simulate attacks on Japan's Nansei Islands beginning Dec. 16 in response to the Japanese government's release of three major defense-related documents.

Dec. 22, 2022: Reports <u>say</u> Japan's government will create the framework for utilization of space to strengthen the nation's defense capabilities that includes a plan to increase the use of space by the SDF and coast guard, among others.

Dec. 26, 2022: Chinese coast guard vessels <u>stay</u> in territorial waters claimed by Japan for over 72 hours, the longest continuous intrusion since 2012.

Dec. 27, 2022: During the visit of Japanese parliamentarians to Taiwan, a Kaohsiung temple <u>says</u> it would commission and give to Japan a bronze statue of Prime Minister Abe, who had been a firm friend of Taiwan.

Dec. 28, 2022: *China Daily*, in a four-part year end piece, <u>admonishes</u> Japan for a litany of transgressions including military expansion and decoupling.

Dec. 30, 2022: Japanese government is to <u>provide</u> comprehensive financial support to the defense industry to stem its decline, and will consider nationalization of some industries though only as a last resort.

Dec. 31, 2022: Amid China's mounting military pressure in the region, the Japanese defense ministry will move command centers underground at four SDF facilities by fiscal 2028 and implement measures against electromagnetic pulse attacks at five Air Self-Defense Force bases by fiscal 2029 in preparation for such situations as an emergency in Taiwan.



COMPARATIVE

CONNECTIONS

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

JAPAN-KOREA RELATIONS

JAPAN AND SOUTH KOREA AS LIKE-MINDED PARTNERS IN THE INDO-PACIFIC

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The last four months of 2022 saw a flurry of bilateral diplomatic activities between Japan and South Korea in both nations' capitals and around the world. They focused on 1) North Korea, 2) the issue of wartime forced labor, and 3) the future of Seoul-Tokyo cooperation in the Indo-Pacific region. Despite mutual mistrust and the low approval ratings of Prime Minister Kishida Fumio and President Yoon Suk Yeol, both leaders had the political will to see a breakthrough in bilateral relations. Another signal came in the form of new strategy documents in which Seoul and Tokyo explained their foreign and security policy directions and goals. On Dec. 16, the Kishida government <u>published</u> three national security-related documents—the *National Security Strategy (NSS)*, the *National Defense Strategy (NDS)*, and the Defense Buildup program. On Dec. 28, the Yoon government <u>unveiled</u> South Korea's *Strategy for a Free, Peaceful, Prosperous Indo-Pacific Region*, its first ever Indo-Pacific strategy. Although each document serves a somewhat different purpose, it is now possible to gauge how similarly or differently Japan and South Korea assess challenges in the international security environment, and how they plan to respond to them.

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Importantly, they signal the other, the United States, and the world that they acknowledge the strategic and economic importance of their partner in their vision of the future. When one considers the future of Japan-South Korea relations, what are some of the most important take-aways?

South Korea's Indo-Pacific Strategy and Japan's Security Documents

To understand the significance of the mutual recognition in these documents, it is necessary to situate the plans in the broader context, particularly in comparison to prior policies.

First, when it comes to North Korea's nuclear and missile capabilities, overall, there is considerable convergence between Seoul and Tokyo in terms of threat perceptions and the emphasis on deterrence. This is an area where one may expect to see an even further tightening of Seoul-Tokyo cooperation, especially together Washington. Japan's National Security Strategy notes that North Korea has conducted missile launches "with an unprecedent frequency and in new ways," estimating that Pyongyang's intention is "to bolster its nuclear capabilities both in quality and in quantity at the maximum speed." It assesses that "North Korea's military activities pose an even more grave and imminent threat to Japan's national security than ever before." South Korea's Indo-Pacific Strategy similarly views North Korea's growing nuclear and missile capabilities as "a serious threat to peace and stability not only on the Korean Peninsula and in the Indo-Pacific region, but also across the globe."

In addressing these threats, both Japan and South Korea consider the other an important partner. South Korea's Indo-Pacific Strategy says, "Based on the ROK-US Alliance, we will maintain and strengthen our robust combined defense posture against North Korea's nuclear threats, while expanding ROK-US-Japan trilateral security cooperation to reinforce our capability to safeguard peace." Japan's National Security Strategy similarly writes, "with the response to North Korea and other issues in mind, Japan will enhance Japan-ROK and Japan-US-ROK strategic coordination, including in the area of security."



Figure 1 President Yoon Suk Yeol attends a trilateral summit with President Joe Biden and Japanese Prime Minister Kishida Fumio in Phnom Penh, Cambodia. Photo: Office of the President (South Korea)

Second, there is an acknowledgement on both sides that they can be like-minded partners in the Indo-Pacific region, in terms of navigating shifts in the regional balance of power, growing geopolitical competition, and the resulting economic risks, such as supply chain disruptions. Sharing an emphasis on such values as "freedom," "democracy," "human rights," and the "rule of law," both Seoul and Tokyo have repeatedly signaled their interest in improving bilateral relations, while positioning themselves as global actors. South Korea, branding itself a "Global Pivotal State," acknowledges Japan as "our closest neighbor." It <u>reads</u>, "we will seek a forward-looking partnership that supports our common interests and values. Improved relations with Japan is essential for fostering cooperation and solidarity among like-minded Indo-Pacific nations; we are thus continuing our diplomatic efforts to restore mutual trust and advance relations." Japan, viewing itself as a "major global actor," calls South Korea "a highly important neighboring country to Japan in a geopolitical context and in regard to Japan's security." It goes on to state, "Japan will communicate closely with the ROK in order to develop Japan-ROK relations based on the foundation of friendly and cooperative relations that have developed since the normalization of diplomatic relations in 1965."

While some assert that South Korea's *Indo-Pacific Strategy* did not elaborate enough on China, there are important differences in South Korea's tone and signaling. On the one hand, compared to the previous Moon administration's reluctance to even talk about China, President Yoon is willing to articulate his vision for the regional order as being a "free, peaceful, and

prosperous Indo-Pacific," referencing the issues of the South China Sea and the Taiwan Strait. His Indo-Pacific Strategy states, "in this regard, peace, stability and freedom of navigation and overflight in the South China Sea, which constitutes strategically important sea lines of communication, must be respected. We also affirm the importance of peace and stability in the Taiwan Strait for the peace and stability of the Korean Peninsula and for the security and prosperity of the Indo-Pacific." On the other hand, South Korea's use of the word "inclusive" in describing its Indo-Pacific Strategy as one that "neither targets nor excludes any specific nation" is perhaps in consideration of its relations with Beijing.

Compared to South Korea, Japan viewed China as a threat in unequivocal terms and described it as an "unprecedented and the greatest strategic challenge" to the peace and security of Japan. Seoul and Tokyo included the expression that they oppose unilateral changes to the status quo by force. However, there is a difference. Japan pointedly described its first defense objective as shaping a "security environment not accepting unilateral changes to the status quo by force." Japan's National Security Strategy and National Defense Strategy list in detail intensifying Chinese activities in the region around Japan, and around Taiwan, calling it a "matter of serious concern."

Japan's national security documents drew much attention because of two things: 1) a concrete plan to double defense spending to 2% of GDP by 2027—breaking with decades-long tradition of a 1% cap—and 2) inclusion of the use of counterstrike capabilities—the capability for Japan to strike into an opponent's territory. This represents what Japan calls a "major turning point" for its postwar defense policy. Japan's intent to acquire counterstrike capabilities has raised questions among its neighbors, including South Korea. Japan's National Security Strategy elaborates the circumstances of such use as when "deterring invasion against Japan," "missile attacks by an opponent," and "preventing further attacks while defending against incoming missiles by means of the missile defense network." South Korea's government and military are said to have paid a great deal of attention to this inclusion as they regard it as relevant for possible contingencies on the Korean Peninsula.

For example, in the NDS Tokyo lays out seven key "functions and capabilities" to fundamentally

reinforce its defense capabilities, including 1) stand-off defense, 2) integrated air and missile defense, 3) unmanned defense, 4) cross-domain, 5) command and control and intelligencerelated functions, 6) mobile deployment and 7) sustainability and resiliency. In terms of acquiring new capabilities, the more than \$2.4 billion (\$1.6 billion for buying and \$832 million for training) earmarked in its new record defense budget (\$51.4 billion) approved in December 2022 to buy hundreds of US Tomahawk missiles for its Aegis destroyers made headlines. Acquisitions like this will complement homegrown capabilities described within the NDS to bring about real material changes to Japan's defense capability for the decade to come. Some of these new capabilities include standoff missiles such as hypervelocity gliding projectiles (HVGP), Aegis-equipped vessels (sea-based ballistic missile defense), unmanned underwater vehicles (UUV), a Space Domain Awareness system, and many more. Furthermore, in a nod to a lesson learned from the conflict in Ukraine, the NDS promises to resolve its current shortage of ammunition and missiles by 2027.

Expressing concern about the inclusion of counterstrike capabilities and their implications for the Korean Peninsula, a South Korean foreign ministry official said, "it is necessary to have close consultation with us and seek out approval in advance on issues that have a significant impact on the security of the Korean peninsula and out national interest." "It is desirable that related discussions will be carried transparently in a way that contributes to regional peace and stability, while upholding the spirit of the Peace Constitution." In response, a Japanese government official said that Japan would not need permission from other countries when exercising counterstrike capabilities and "decide on its own."

Bilateral Diplomacy On: North Korea, Forced Labor Issue, and Security Cooperation

The last four months of 2022 saw a flurry of bilateral visits, meetings, and phone calls between Korea and Japan. This includes two leader meetings and a phone call between Yoon and Kishida, visits to Seoul by an 18-member delegation of Japanese Diet lawmakers, two former Japanese prime ministers, and the leader of Komeito, and visits to Tokyo by the South Korean prime minister and health minister. There were also numerous working-level consultations on critical bilateral issues held in

both capitals. On the table for bilateral diplomacy are 1) North Korea, 2) the issue of wartime forced labor, and 3) the future of Seoul-Tokyo cooperation in the Indo-Pacific region.

In early September, Japanese Foreign Minister Hayashi Yoshimasa and South Korean Foreign Minister Park Jin discussed the need for improving bilateral relations at a forum. Park said "a starting point for improving South Korea-Japan relations is being created," while Hayashi believed "there has never been a time when progress in Japan-South Korea, Japan-US-South Korea cooperation is more important than now." South Korean Prime Minister Han Ducksoo visited Japan to attend the state funeral of former Prime Minister Abe Shinzo. During his meeting with Kishida the day after the funeral, the two sides agreed to discuss the issues of wartime forced labor and the so-called comfort women. In response to Han's offer of condolences extended on behalf of President Yoon and South Korea, Kishida said that Japan "received numerous polite condolences from many Koreans, including President Yoon and the Prime Minister." South Korea's Deputy National Assembly Speaker Chung Jin-suk on the South Korean delegation to the state funeral similarly called for two-track efforts to resolve difficult history issues and expand exchanges between two countries, "as the younger generation wishes for."

Prime Minister Kishida and President Yoon met twice in late 2022—in September on the sidelines of the UN General Assembly in New York, and in November on the sidelines of ASEAN-related summit meetings in Phnom Penh. The brouhaha behind their September meeting mirrors the current state of bilateral relations where both sides feel the need to improve relations but are unable to make a clear breakthrough due in large part to mutual mistrust combined with domestic politics. With the issue of wartime forced labor still pending, both Kishida and Yoon had to navigate domestic opposition amid their low approval ratings.



Figure 2 South Korean President Yoon and Japanese Prime Minister Kishida pose for a photo prior to their talks in New York. Photo: Yonhap

Leading up to the Sept. 21 meeting, South Korea's Presidential Office announced that Seoul and Tokyo planned to hold a summit in New York. The remark by Kim Tae-hyo, deputy national security adviser, was widely reported in South Korean media outlets. The Japanese Prime Minister's Office denied this, with Chief Cabinet Secretary Matsuno Hirokazu responding that Kishida's schedule has not been determined. Amid South Korean media reports that Kishida was unhappy with South Korea's announcement. Kishida and Yoon did meet for 30 minutes on Sept. 21. South Korean Foreign Minister Park and Japanese Foreign Minister Hayashi also met for 50 minutes in New York to discuss bilateral relations. South Korean politicians in the opposition criticized Yoon's meeting with Kishida as a "disgrace," and "humiliating," questioning why Yoon had to go to the building where Kishida was holding his official function to meet.

Regardless of how one characterizes the September meeting -- an official summit or not -- Kishida and Yoon met longer for 45 minutes on Nov. 13, which was acknowledged as an official summit. During these two meetings, the two leaders confirmed three things. First, they would work closely to deal with North Korea's nuclear and missiles threats bilaterally and trilaterally with the United States. Indeed, the North Korean threat was the unifier for which the need for Korea-Japan bilateral cooperation was repeatedly reconfirmed. North Korea in the last four months continued to up the ante on provocations, shooting missiles on 19 different days and launching almost 60 missiles in the process, including a record-breaking 23 (or 25) missiles in a single day in early November. Overall in 2022, North Korea has shattered all provocation metrics, conducting missile tests on 37 different occasions, and launching over 90 missiles of all types, including two North Korean missiles that flew over Japan for the first time since 2017. North Korea is no longer just shooting missiles: it is increasingly conducting hybrid provocations, including airplane exercises and drones (UAVs), and doing them on land, water, and air. As the year ends, the 7th nuclear test has not been conducted, but all indications point to preparations being ready and timing now solely up to the discretion of Kim Jong Un.

Second, Kishida and Yoon promised that they would endeavor to resolve the issue of wartime forced laborers. After the November summit, an official from South Korea's Presidential Office said, "the overall tone was that we should move more quickly, and that the two leaders should pay closer attention and lend further support to induce not only a resolution of the forced labor issue but also an improvement in South Korea-Japan relations." Despite the two sides' desire to make headway and put this issue of forced labor to rest by the end of 2022, the year ended without a breakthrough. A proposal that emerged in South Korea in the final months of 2022 entails a plan that does not involve compensations by companies, Mitsubishi Japanese Industries Inc. or Nippon Steel Corp., and will instead use South Korean corporate donations. Many in South Korea including the forced labor victims oppose this proposed plan. There remain concerns that the Yoon government will push for a compromise with Japan. In Japan, there is no guarantee that a South Korean proposal will be accepted by members of the Liberal Democratic Party (LDP) who are skeptical of a deal with South Korea. Perhaps it is in this context that Aso Taro, vice president of the ruling LDP and a former prime minister, visited Seoul prior to the Kishida-Yoon summit on Nov. 2, and met President Yoon for 85 minutes on bilateral issues, including forced labor. According to Nikkei, Kishida wanted Aso's visit to enable a bilateral summit between Japan and South Korea.



Figure 3 Members of a civic group seeking compensation from Japanese firms over forced labor during World War II and opposition lawmakers stage a rally to oppose the government's reported resolution to the issue outside the National Assembly in Seoul. Photo: AP Photo/Ahn Young-joon

Third, Kishida and Yoon support each other's vision for the Indo-Pacific region. Kishida shared Japan's plan to announce a new "Free and Open Indo-Pacific" Plan in early 2023, to which Yoon responded by explaining to Kishida his own "Indo-Pacific Strategy of Free, Peace, and Prosperity." Japan's Ministry of Foreign Affairs reported that "the two leaders welcomed each other's vision for the Indo-Pacific and concurred on aligning their collective efforts in pursuit of a free and open Indo-Pacific, that is inclusive, resilient, and secure."

It remains to be seen what "like-minded partners" will mean and how they will materialize in policy settings. However, it seems clear that both the Kishida and Yoon governments are willing to view each other as partners more than ever before, even in national security-related matters. For the first time since September 2016, South Korea and Japan began to normalize defense cooperation, with Japanese Vice Defense Minister for International Oka Masami participating in a vice defense ministerlevel talk with Korean counterpart Shin Beomchul in Seoul. South Korea's decision in late October to join Japan's international fleet review -- its first in 20 years to celebrate the 70th anniversary of its MSDF - wasn't a guarantee, despite the increased tempo of trilateral cooperation and military exercises this year. Seoul initially missed the Oct. 12 deadline to indicate their participation; Tokyo confirmed on Oct. 25 that Seoul had not responded. Less than 10 days before the fleet review, South Korea decided to participate, citing the "grave security situation surrounding the Korean peninsula."

In the end, South Korea <u>sent</u> a logistics support ship, the *Soyang* to participate, the first time the South Korean navy has participated in seven years (2015), and the second time since 2002. It's important to note that South Korea was not <u>invited</u> to participate in a smaller fleet review in 2019, after conflict over the alleged December 2018 locked fire-control incident – the review was later cancelled due to a typhoon. Kishida during the fleet review on Nov. 6 <u>said</u>, "We absolutely cannot allow nuclear and missile development by North Korea."

As the year 2022 came to a close Yamaguchi Natsuo of Komeito, the junior party of Japan's ruling coalition, visited South Korea and met with President Yoon. Yoon acknowledged the party's efforts for improving bilateral relations including the issue of voting rights for ethnic Koreans residing in Japan and requested continued support. Yamaguchi emphasized the importance of trilateral cooperation among Seoul, Tokyo, and Washington to address North Korea's missile and nuclear capabilities, adding that the party would make efforts to ensure that subsequent discussions of Japan's national security strategies contribute to peace in the region.

Trilateral Cooperation

The year 2022 ended on a strong note for Seoul-Tokyo-Washington trilateral cooperation. The US, South Korea, and Japan issued a comprehensive trilateral cooperation document on the sidelines of the East Asia Summit on Nov. 13. The Phnom Penh statement outlined ways to "forge still-closer trilateral links, in the security realm and beyond" at "all levels of government." It was unequivocal in reaffirming that a North Korean nuclear test would be "met with a strong and resolute response," and that the three will work to strengthen deterrence, including sharing real-time North Korean missile warning data. The statement also reiterated the importance of trilateral cooperation on economic security, including launching a new trilateral dialogue on this critical issue. Lastly, in a veiled reference to China, the three countries also announced they will "stand as one against economic coercion."

The three partners are coordinating trilaterally in other areas, including on sanctions on North Korea. On Dec. 2, the US <u>lauded</u> "synchronized action" by the three to designate officials and entities associated with the North Korean nuclear and missile program as a demonstration

of the "increased strength" of the trilateral relationship. The <u>US</u>, <u>South Korea</u> and <u>Japan</u> sequentially announced unilateral sanctions against North Korea on the same day, targeting different entities and actors.

Poor Popular Support

The Kishida administration's approval ratings in the final stretch of the year were not strong, falling to 25% in mid-December from 31% in mid-November, <u>according to</u> the *Mainichi* Shimbun. Mainichi Shimbun polls on Nov. 19 and 20 show that 43% of respondents wanted Kishida to "step down soon," while only 14% said that they hoped he "stayed in office as long as possible." Against the backdrop of revelations of connections with lawmakers' Unification Church, by the end of December, Kishida witnessed four of his Cabinet members – Internal Affairs Minister Terada Minoru, Justice Minister Hanashi Yasuhiro, Economic Minister and Reconstruction Yamagiwa Daishiro, Minister Akiba Kenya-forced to resign their ministerial positions over scandals. Constitutional Democratic Party of Japan—the largest opposition party—criticized the Kishida administration as "having almost collapsed."

For the Yoon administration, his popularity has remained in the 30s for much of his presidency, but it slowly but gradually rebounded from 24% in early August to 41.1% in mid-December. Domestic politics remains too volatile for his administration to pursue a decisive Japan policy. Opposition party leader Lee Jae-myung of the Democratic Party <u>called</u> trilateral naval drills among South Korea, Japan, and the United States on Oct. 7, "an extreme pro-Japanese act." Urging the Yoon administration to apologize for conducting the exercises, he claimed that "holding joint military exercises between South Korea, the US, and Japan can be interpreted as acknowledging Japan's Self-Defense Forces as an official military."

Japan finally <u>lifted</u> border restrictions after 2 years and 7 months in October 2022, and as many as 5,000 South Koreans traveled to Japan on the first day of lifted restrictions. South Korean airlines were quick to announce expansion of flights to Japan, including to Tokyo, Nagoya, Osaka, Fukuoka and other cities. Regular ferry service between Fukuoka and Busan <u>resumed</u> in early November, creating more travel options and opportunities for people-to-people exchange.

Looking Ahead to 2023

In early 2023, as the Yoon government's proposal for the wartime forced labor issue takes shape, South Korea-Japan relations will have an important window of opportunity to improve bilateral ties. Both Yoon and Kishida have key dates in early 2023 — such as the G7 in Hiroshima in May 2023 (and <u>maybe</u> the World Baseball Classic in Japan in March) to showcase a breakthrough in this difficult, emotional, and politically unpopular issue. Judging from the gestures and signals in late 2022, there seems to be enough political will on both sides - Kishida and Yoon - to come to an arrangement that is acceptable for both. But domestic politics remains a big factor as both leaders struggle with low approval ratings. We are hopeful that the two countries will celebrate the 25th anniversary of the Korea-Japan Joint Declaration of 1998 in October 2023 in some meaningful way, especially as they strive to be global actors as well as closest neighbors.

CHRONOLOGY OF JAPAN-KOREA RELATIONS

SEPTEMBER — DECEMBER 2022

Sept. 1, 2022: US National Security Advisor Jake Sullivan, Japanese National Security Secretariat Secretary General Akiba Takeo, and South Korean National Security Office Director Kim Sung-han <u>meet</u> in US Indo-Pacific Command in Hawaii to discuss their shared vision of a free and open Indo-Pacific.

Sept. 2, 2022: South Korean Foreign Minister Park Jin <u>meets</u> two Korean plaintiffs in Japanese wartime forced labor cases and promises to solve the issue as soon as possible.

Sept. 3, 2022: South Korean Foreign Minister Park Jin and Japanese Foreign Minister Hayashi Yoshimasa <u>discuss</u> the need for improving bilateral relations at a forum. Park says "a starting point for improving South Korea-Japan relations is being created," while Hayashi believes "there has never been a time when progress in Japan-South Korea, Japan-US-South Korea cooperation is more important than now."

Sept. 7, 2022: US special representative for North Korea Sung Kim <u>meets</u> Japanese counterpart Funakoshi Takehiro and South Korean counterpart Kim Gunn in Tokyo to discuss "specific steps" to respond to a potential North Korean nuclear test.

Sept. 7, 2022: South Korean Vice Defense Minister Shin Beom-chul holds discussion with Japanese Vice Defense Minister for International Oka Masami on the sidelines of the Seoul Defense Dialogue in Seoul, the first vice defense minister-level talks between Korea and Japan since September 2016, and the two sides agreed to work together to normalize defense cooperation. Japan also invites the South Korean Navy to attend its fleet review to mark the 70th anniversary of the founding of the Maritime Self-Defense Force (MSDF).

Sept. 15, 2022: South Korea's Deputy National Security Director Kim Tae-hyo <u>announces</u> that South Korea and Japan agreed to meet for a summit in New York. Japan's Chief Cabinet

Secretary Matsuno Hirokazu say that Kishida's schedule has not been determined.

Sept. 16, 2022: Seoul Central District Court <u>dismisses</u> case for Japan to disclose its state assets in South Korea to pay compensation to comfort women because of its refusal to comply. This follows previous attempts in June and September 2021 for Japan to submit this full list of assets.

Sept. 20, 2022: South Korean FM Park Jin and Japanese FM Hayashi meet for 50 minutes in New York on the sidelines of the United Nations General Assembly to discuss bilateral relations, including working toward an early resolution of the forced labor issue.

Sept. 22, 2022: South Korean President Yoon Suk Yeol and Japanese Prime Minister Kishida Fumio meet for 30 minutes on the sidelines of the UNGA to discuss bilateral relations, the importance of bilateral and trilateral cooperation with the US, and the North Korean threat. This is the <u>first</u> inperson sit-down meeting between the two countries' leaders since December 2019.

Sept. 22, 2022: US Secretary of State Antony Blinken <u>meets</u> Japanese and Korean counterparts, Hayashi Yoshimasa and Park Jin on the sidelines of the UNGA. Blinken <u>stresses</u> the "trilateral partnership matters" to the US, and that "we are even more effective" when the three countries are working together. In their joint statement, the US and Japan also <u>express</u> support for South Korea's "Audacious Initiative."

Sept. 24, 2022: Former Japanese Prime Minister Hatoyama Yukio <u>apologizes</u> for Japan's actions toward Korea during a memorial event for the 1587 Battle of Myeongnyang on Jindo Island in South Korea.

Sept. 25, 2022: Japanese Ambassador to South Korea Aiboshi Koichi <u>describes</u> the Kishida-Yoon meeting on Sept. 22 as a "forward-looking" step to improve bilateral relations.

Sept. 26, 2022: South Korean Deputy National Assembly Speaker Chung Jin-suk <u>begins</u> threeday trip to Tokyo to attend the state funeral for former Japanese Prime Minister Abe Shinzo. This is Chung's first trip as president of the Korea-Japan Parliamentarians' Union.

Sept. 27, 2022: South Korean delegation led by Prime Minister Han Duck-soo <u>visits</u> Japan to attend the state funeral of former Prime Minister Abe

Sept. 27, 2022: During his memorial address at the state funeral for Prime Minister Abe, Prime Minister Kishida <u>promises</u> to "do everything in my power" to fulfill Abe's mission of bringing back Japanese abductees by North Korea.

Sept. 27, 2022: Asiana Airlines, South Korea' second largest carrier, <u>announces</u> plans to expand flights to Japan from 10 to 32 starting on Oct. 30, in response to Japan's decision in mid-September to lift the ban on the number of inbound passengers and to resume visa-free travel for visitors from South Korea.

Sept. 28, 2022: South Korean PM Han meets Prime Minister Kishida in Tokyo and reemphasizes the Yoon administration's desire to "swiftly improve and develop Korea-Japan relations." They also discussed bilateral issues such as forced labor.

Sept. 30, 2022: Japanese Minister of Education, Culture, Sports Science and Technology Nagaoka Keiko announces that Japan has submitted to UNESCO a "tentative" revised recommendation letter for the Sado mine to be added to the World Heritage list. In July, ministry officials said UNESCO found the initial application to be incomplete and therefore did not forward the recommendation to its advisory body by the deadline to be considered for inclusion in the 2023 list.

Sept. 30, 2022: South Korea, Japan, and the US hold a day-long trilateral anti-submarine exercise off the coast of the Korean Peninsula in the sea between Korea and Japan. The anti-submarine exercise was the first in five years, and it involved South Korea's Munmu the Great destroyer, Japan's Asahi-class destroyer, the USS Ronald Reagan aircraft carrier, the USS Chancellorville missile cruiser and the USS Barry missile destroyer. The exercise comes a day after

North Korea fired two ballistic missiles into the sea.

Oct. 4, 2022: In separate bilateral phone calls, top diplomats of South Korea, Japan, and the US condemn North Korea's launch of an intermediate-range ballistic missile (IRMB) that flew about 4,500 km (about 2800 miles) over Japan. Both FM Park Jin and Secretary of State Blinken called it a "grave provocation."

Oct. 4, 2022: US Deputy of State Wendy Sherman, South Korean First Vice Foreign Minister Cho Hyundong, and Japanese Vice Foreign Minister Mori Takeo <u>hold</u> a trilateral call to discuss North Korea's IRBM launch over Japan.

Oct. 6, 2022: South Korean President Yoon and Japanese PM Kishida discuss North Korea's missile launches in a 25-minute phone call and agree to work together to respond to North Korea's "reckless provocations." Kishida tells reporters after the call that he had agreed with Yoon to build a "future-oriented" relationship.

Oct. 6, 2022: South Korean Special Representative for Korean Peninsula peace and security affairs Kim Gunn <u>holds</u> separate phone calls with US and Japanese counterparts, Sung Kim and Funakoshi Takehiro over North Korea's recent missile launches, voicing "serious concerns."

Oct. 6, 2022: South Korea, Japan, and the US <u>hold</u> a joint naval exercise involving the *USS Ronald Reagan* aircraft carrier strike group in response to North Korea's launch of an IRBM over Japan the previous day. The exercise also involved South Korea's *King Sejong the Great* Destroyer and Japan's *Chokai* destroyer.

Oct. 7, 2022: South Korean Deputy Defense Minister for Policy Heo Tae-keun holds conference call with US and Japanese counterparts, Ely Ratner and Masuda Kazuo to discuss North Korea's missile launches and potential joint responses.

Oct. 7, 2022: South Korean Special Representative for Korean Peninsula peace and security affairs Kim Gunn and US and Japanese counterparts, Sung Kim and Funakoshi Takehiro agree to increase joint efforts to stop North Korea's cryptocurrency theft, illicit trade and sanctions evasion that help finances its nuclear and missile program.

- **Oct. 11, 2022**: South Korean Director General for Asia and Pacific Affairs <u>hosts</u> Japanese counterpart Funakoshi in Seoul for working-level consultations on forced labor and other bilateral issues.
- **Oct. 11, 2022**: Japan <u>lifts</u> border restrictions. About 5000 South Koreans traveled to Japan on the first day of lifted restrictions.
- **Oct. 12, 2022**: South Korean Special Representative for Korean Peninsula peace and security affairs Kim Gunn hosts Japanese counterpart Funakoshi in Seoul for consultations on North Korean provocations and joint security cooperation.
- Oct. 14, 2022: South Korean Special Representative for Korean Peninsula peace and security affairs Kim Gunn holds separate phone calls with US and Japanese counterparts, Sung Kim and Funakoshi over North Korea's recent provocations, including flying more than 10 North Korean warplanes close to the South Korean border and missile launches into the South's maritime buffer zones.
- **Oct. 14, 2022:** South Korea <u>announces</u> new unilateral sanctions against North Korea, the first in five years, designating 15 individuals and 16 organizations for their involvement with the nuclear and missile programs.
- **Oct. 17, 2022**: Japanese PM Kishida <u>sends</u> a ritual offering to Yasukuni Shrine, but does not visit the shrine. South Korea <u>expresses</u> deep regret.
- **Oct. 18, 2022**: Japan <u>announces</u> additional sanctions on North Korea and freezes the assets of five organizations for their involvement with the nuclear and missile programs.
- **Oct. 20, 2022:** US Chairman of the Joint Chiefs of Staff Gen. Mark Milley hosts trilateral meeting with Korean and Japanese counterparts, Gen. Kim Seung-Kyum and Gen. Yamazaki Koji at the Pentagon to discuss regional security challenges, including the North Korean threat and the importance of trilateral security cooperation.
- Oct. 26, 2022: Japanese FM Hayashi hosts Deputy Secretary of State Sherman and South Korean First Vice Foreign Minister Cho in Tokyo to discuss the North Korean threat, deepening trilateral cooperation, and the recent 20th

- National Congress of the Chinese Communist Party.
- Oct. 27, 2022: Air Seoul Inc, a South Korean carrier <u>announces</u> it will resume flights from Incheon to Osaka and Fukuoka in Japan starting on October 30.
- **Nov. 1, 2022**: South Korean logistics support ship *Soyang* <u>arrives</u> in Yokosuka port to participate in Japan's international fleet review on Nov, 6, South Korea's first participation since 2015.
- **Nov. 2, 2022**: Aso Taro, vice president of the ruling Liberal Democratic Party and former prime minister, <u>meets</u> President Yoon in Seoul.
- **Nov. 2, 2022:** An 18-member delegation of Japanese Diet members affiliated with the Japan-Korea Parliamentarians' Union <u>visiting</u> Seoul paid respects to victims of the Itaewon incident.
- **Nov. 3, 2022**: Former Japanese PM Aso <u>meets</u> South Korean FM Park in Seoul to discuss ways to improve bilateral relations.
- **Nov. 3, 2022:** South Korean FM Park and Japanese FM Hayashi <u>speak</u> on the phone to discuss North Korea's latest missile launches of an ICBM and two SRBMs, including one that flew into South Korea's de facto maritime border.
- Nov. 3, 2022: 18-member delegation of Japanese Diet members meet South Korean Prime Minister Han o in Seoul, the first meeting of the annual meeting of the Korea-Japan Parliamentarians' Union in three years. In congratulatory remarks read by Japanese ambassador to South Korea Aiboshi Koichi, PM Kishida stresses the importance of Japan-Korea cooperation. The Japanese delegation also meets Chung Jin-suk, leader of the ruling People Power of the Korea-Japan and head Parliamentarians' Union, who stresses the importance of Korea-Japan security cooperation. In their joint statement, members of the two countries' parliamentarians' union <u>called</u> for swiftly normalizing Korea-Japan relations.
- **Nov. 4, 2022**: A ferry between Fukuoka in Japan and Busan in South Korea <u>resumes</u> service, the first regular international sea route Japan has restarted since the COVID-19 pandemic. Regular ferry service was suspended in March 2020.

Nov. 4, 2022: South Korean President Yoon meets visiting Japanese lawmaker delegation in Seoul and asks them to help increase people-to-people exchanges.

Nov. 7, 2022: Japanese FM Hayashi, US Deputy Secretary of State Sherman and South Korean First Vice Foreign Minister Cho <u>discuss</u> and condemn North Korea's latest missile tests as a "serious threat, including an ICBM.

Nov. 13, 2022: US President Joe Biden, South Korean President Yoon and Japanese PM Kishida meet at the East Asia Summit in Phnom Penh, Cambodia, their second trilateral meeting in 2022. They released a comprehensive trilateral joint statement, their first, to increase trilateral cooperation and work together toward a free and open Indo-Pacific. Kishida and Yoon also hold an official summit meeting in Cambodia.

Nov. 18, 2022: South Korean FM Park and Japanese FM Hayashi <u>speak</u> on the phone about North Korea's latest ICBM test.

Nov. 21, 2022: *Mainichi Shimbun* polls <u>show</u> that 43% of Japanese respondents want Kishida to quit soon, while 14% respond that they hope he stay in office as long as possible.

Nov. 21, 2022: Japanese FM Hayashi, US Deputy Secretary of State Sherman and South Korean First Vice Foreign Minister Cho <u>have</u> trilateral call to discuss North Korea's Nov. 18 ICBM test.

Nov. 22, 2022: Jeju Air Co., a South Korean budget carrier, <u>resumes</u> Incheon-Nagoya route, offering seven flights a week for the first time since the route was suspended in March 2020 due to COVID-19.

Nov. 26, 2022: South Korean Ambassador to Japan Yun Duk Min <u>calls</u> for return of "shuttle diplomacy" between the two leaders in an interview with the Japanese newspaper, *Kyodo News*.

Dec. 1, 2022: US <u>sanctions</u> three officials of North Korea's Workers' party of Korea for supporting the nuclear and missile programs.

Dec. 2, 2022: Japan <u>announces</u> additional sanctions against North Korea, targeting two trading companies, one hacking group, and an official for involvement with nuclear and missile programs. South Korea also <u>announces</u>

additional sanctions on North Korea, targeting eight individuals and seven institutions involved with the nuclear and missile programs.

Dec. 6, 2022: South Korean Ambassador to the US Cho Taeyong and Japanese Ambassador to the US Tomita Koji <u>agree</u> during a conference that bilateral and trilateral cooperation are important to deal with the North Korean threat and economic issues.

Dec. 7, 2022: South Korean Ministry of Land, Infrastructure and Transport <u>announces</u> that Korean Air Lines and Asiana Airlines will gradually increase the number of flights on the Gimpo-Haneda route from 56 per week to 84 per week.

Dec. 13, 2022: South Korean Special Representative for Korean Peninsula peace and security affairs Kim Gunn and US and Japanese counterparts, Sung Kim and Funakoshi, <u>meet</u> trilaterally in Jakarta to discuss North Korean provocations.

Dec. 16, 2022: Kishida government issues the *National Security Strategy* (*NSS*), the *National Defense Strategy* (*NDS*), and the <u>Defense Buildup program</u>. South Korea "strongly protests" Japan's inclusion of the dispute islet of Takeshima (Dokdo) in its new National Security Strategy.

Dec. 18, 2022: South Korean First Vice Minister of Health and Welfare Lee Ki-il <u>starts</u> his four-day trip to Japan to learn about Japan's national pension system.

Dec. 19, 2022: *Mainichi Shimbun* polls show that the Kishida administration's approval ratings are at 25%, 6% down from polls a month earlier.

Dec. 22, 2022: South Korea and Japan <u>hold</u> working-level online consultations on the Fukushima water discharge plan.

Dec. 23, 2022: South Korea <u>conducts</u> biannual drills on the disputed islet of Dokdo/Takeshima.

Dec. 28, 2022: Yoon government <u>publishes</u> South Korea's Strategy for a Free, Peaceful, Prosperous Indo-Pacific Region.

Dec. 29, 2022: Yamaguchi Natsuo of Komeito, the junior party of Japan's ruling coalition, <u>meets</u> with President Yoon in Seoul.

Dec. 30, 2022: Yamaguchi Natsuo of Komeito meets South Korean FM Park Jin in Seoul.



COMPARATIVE

CONNECTIONS

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CHINA- RUSSIA RELATIONS

ENDING THE WAR? OR THE WORLD?

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As the Ukraine conflict was poised to expand, the "extremely complicated" situation at the frontline (in Vladimir <u>Putin</u>'s words on Dec. 20) gave rise to intensified high-level exchanges between Moscow and Beijing as they searched for both an alternative to the conflict, and stable and growing bilateral ties. As the Ukraine war dragged on and mustered a nuclear shadow, it remained to be seen how the world would avoid what <u>Henry Kissinger</u> defined as a "1916 moment," or a missed peace with dire consequences for not only the warring parties but all of civilization.

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Putin and Xi in Samarkand

High-level exchanges regained momentum in the last few months of 2022 as Chinese leader Xi Jinping and Russian President Vladimir Putin met on the sidelines of the SCO annual summit in Uzbekistan on Sept. 15. A week before, top Chinese legislator Li Zhanshu paid an official visit to Russia, starting in Vladivostok where he met Putin during Russia's 7th Eastern Economic Forum. By yearend, Dmitry Medvedev, former Russian president (2008–2012) and now chairman of the United Russia party, paid a surprise visit to Beijing, which was followed by a video conference between Xi and Putin on Dec. 30.

The Putin-Xi September meeting in Uzbekistan was the first in-person gathering since they met in Beijing in late February, shortly before the Ukraine war. Prior to this, they had only a virtual meeting on June 15. In the ancient Uzbek city of Samarkand, the two leaders reportedly exchanged views on a wide range of global, regional, and bilateral issues. Both praised the current friendly relationship between their two countries and vowed to continue to work together for global and regional stability.

The Putin-Xi meeting took place against a backdrop of a "rapidly changing world" (Putin), and "formidable global changes that have never been seen in history" (Xi). In Ukraine, conflict had turned from a World War II-style blitzkrieg to one of World War I-style attrition. Meanwhile, Washington's massive and sustained assistance Ukraine paralleled rising US-China confrontations, particularly over <u>Taiwan</u>. For many in China, the specter of Taiwan turning into another Ukraine was no longer a distant possibility, no matter how hard China tried to differentiate the Taiwan issue from that in Ukraine while maintaining its principled neutrality posture between Moscow and Kyiv.

Putin apparently understood China's dilemma. While calling his Chinese counterpart a "dear comrade" (Уважаемый товариш), a common usage during the Sino-Soviet "honeymoon" (1949-59), Putin expressed gratitude for China's "balanced position in connection with the Ukraine crisis," saying that "we understand your questions and your concerns in this regard," and that "we will certainly explain in detail our position on this issue." As for the Taiwan issue, Putin reiterated that "we have firmly, in practice, abided by the one-China principle."

Xi thanked Putin for Russia's consistent one-China stance. Xi did not mention Ukraine in his opening remarks. Instead, he stressed the need to enhance strategic and practical coordination with Russia, particularly regarding the function of the SCO.

SCO: Out of Covid and into the Shadow of the Ukraine War

The <u>22nd summit of the SCO</u> was held in Samarkand, Uzbekistan following the Xi-Putin mini-summit. It was the first since Russia's "special military operation" in February. The pandemic, too, had until this point prevented any normal gathering of the SCO leaders.

All SCO member states (except Russia), as well as the SCO itself, adopted a neutral stand regarding the Ukraine war, as was the case in the 2008 Georgian-Russian war. They did not want to choose between the West and Russia. Nevertheless, the SCO would have to deal with the disruptive effect of the Ukraine war as global and regional economies were already strained by the pandemic.

In Samarkand, the SCO heads of state approved a five-year plan (2023-2027) for implementation of the "Treaty on Long-term Neighborliness, Friendship and Cooperation of the SCO Member States," signed 15 years before. They also inked a series of documents covering climate change, transportation, finance, supply chains, energy, food security, etc.

A considerable part of <u>Putin's speeches</u> at the summit explained "the current complicated international situation" and Russia's responses. He was particularly critical of Western sanctions against Russia, including EU's "selfish behavior" regarding Russia's exports of grain and fertilizers. Beyond that, the Russian president was upbeat about SCO achievements.

Samarkand was Xi's first foreign trip since January 2020. He seemed more concerned about SCO security and its effective governance to offset "color revolutions." In this regard, a balanced, effective, and sustainable security architecture was needed to deal with traditional and nontraditional security including data, bio-, and outer space security. Xi offered to train 2,000 law enforcement personnel of SCO member states in the next five years. In post-Afghan Central Asia and with Moscow's preoccupation

with the Ukraine war, Beijing was apparently willing to do more to secure its huge investment in the region's sprawling energy and transit infrastructure.

Until recently, the SCO had been slow to accept new members whose accession to full status usually went through lengthy procedures. In Samarkand, Iran finally signed a memorandum of obligations for full membership status 17 years after becoming an observer of the SCO. Meanwhile, the summit added five additional "dialogue partners" (Bahrain, Kuwait, Maldives, Myanmar, and the United Arab Emirates). A year before, Armenia, Egypt, Qatar, and Saudi Arabia joined the observer group.

In Samarkand, <u>Putin</u> pushed, particularly, for Belarusian membership. "We have always advocated that Belarus, which is Russia's strategic partner and closest ally, should participate fully in the SCO. This will undoubtedly improve our ability to advance unity in politics, the economy, security, and humanitarian matters," stated Putin. Now after 12 years as a "dialogue partner" and 10 years as an "observer," Belarus was on track for full membership.

SCO was far from perfect for current and potential members, but a bigger and more complex body could be guaranteed to be less efficient. In retrospect, the SCO has created an environment in which its founding members were willing and able to negotiate and compromise with one another on vital interests such as border delineation and security in a fluid, sometimes chaotic post-Soviet space. In contrast to the post-Soviet space in Europe, much of Central Eurasia, including the long Sino-Russia border region, avoided the worst of populism and extreme nationalism. Now in an increasingly volatile and divided world, the SCO became more attractive for those who looked for stability and certainty.

Tales of Two "Surprise" Diplomacies

For <u>Carl von Clausewitz</u>, war should never be severed from politics, but is a mere continuation of policy "by other means." By the end of 2022, the warring parties of the Ukraine conflict were heading out of Europe, albeit in different directions. On Dec. 21, Deputy Chairman of the Russian Security Council Dmitry <u>Medvedev</u>

traveled to Beijing. Ukrainian President Volodymyr Zelenskyv headed for Washington.

Medvedev's "surprise visit" to Beijing was made in his capacity of chairman of Russia's United Party and at the CPC's invitation. Via this "unique" party-to-party channel for high-level communication, the former Russian president delivered a message from Putin. A statement released by Medvedev's office provided only sketches of the Beijing talks, indicating that the meeting covered a broad range of issues, including those of "the post-Soviet region... and the Ukrainian crisis." The Chinese media, in both English and Chinese versions, added details, including Xi's reiteration of China's long-standing position of "objectivity and fairness," and that China "actively promotes peace talks."

According to the Chinese readout, Medvedev echoed Xi's "peace" point by saying that "Russia is willing to solve the problems through peace talks." The crisis, however, was "very complicated," implying that the 10-month war may become protracted before winding down. Given this, Xi urged all "relevant parties" to "remain rational and exercise restraint," indicating China's concerns over possible escalation and spillover to other countries.

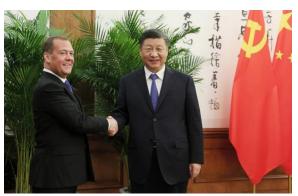


Figure 1 Russian Security Council Deputy Chairman Dmitry Medvedev and Chinese President Xi Jinping Photo: Yekaterina Shtukina/POOL/TASS

Medvedev was well-known in China thanks to his four-year presidency of the Russian Federation. It was unclear if his surprise visit was a coincidence with Zelenskyy's "surprise" US trip. It occurred nonetheless as Russia's strategic environment continued to deteriorate as Putin approved a Russian military plan for a significant resizing (from 1 million to 1.5 million) and restructuring (re-establishing the Moscow and Leningrad Military Districts, etc.). Obviously, Russia's partial mobilization (300,000) on Sept.

21, the first since the end of the Soviet Union, fell short of expectations. On Dec. 26 and 29 Russia's strategic airbase Engels was bombed by Ukraine drones, following an initial attack on Dec. 5. Ukraine's military capability apparently was not weakened after two months of Russian retaliatory bombing of Ukraine's power infrastructure following the Oct. 8 Crimea bridge bombing. Some Chinese observers noticed that the distance between the Ukraine city Kharkiv and Russia's Engles air base was about 687 km, similar to that between Kharkiv and Moscow. This means Ukraine had acquired the capability to strike Moscow if it chose to do so. If that happened, escalation was guaranteed.

Despite their opposite travel directions, the outcomes of Zelenskyy and Medvedev's diplomacy with the world's two largest powers were almost pre-determined. Even before his arrival in Washington, the US House proposed \$45 billion in emergency funds for Ukraine, totaling \$110 billion by year's end. Once in town, the Ukraine president received a hero's welcome as a 21st-century Winston Churchill while obtaining \$1.8 billion in military assistance, including a Patriot missile battery.



Figure 2 US President Joe Biden welcomes Ukraine's President Volodymyr Zelenskyy at the White House in Washington on Dec. 21. Photo: AP Photo

The specifics of Putin's letter to Xi remained undisclosed. The outcome of Medvedev's trip to Beijing was, too, predetermined regarding the Ukraine war. Because of its position of neutrality (or "impartial" and "just" according to Beijing), the only thing China could do was to help Russia search for a peaceful ending to the conflict. Upon returning home, Medvedev reportedly said that the Beijing talks were "fruitful," or "meaningful" (содержательной) according to Putin when he was conversing with President Xi via video nine days later.

Putin-Xi New Year's Eve Meeting (Online)

Unlike the casual exchange of New Year greetings that occurred for many years, the Putin-Xi video meeting this time was substantive and with a visible element of urgency, particularly from the Russian side, given rapidly unfolding events (Zelenskyy's US trip). A significant part of Putin's opening remarks was about Russia's energy export to China. "Russia holds second place in terms of pipeline gas supplies to China, and fourth in terms of LNG exports," said Putin, potential for future implying particularly in the wake of the Nord 1 & 2 destruction in late September and the EU cap on Russian oil prices set in early December.

Defense and military technology cooperation was also discussed between the two leaders, according to the Kremlin readout. It "has a special place in the entire range of Russian-Chinese cooperation and our relations. We aim to strengthen cooperation between the armed forces of Russia and China," said the Russian president.

As to Russia-China coordination in diplomacy in facing "unprecedented pressure and provocations from the West," Putin reminded his Chinese counterpart that Moscow and Beijing "defend our principled positions and protect not only our own interests, but also the interests of all those who stand for a truly democratic world order and the right of countries to freely determine their destiny."

Given the stakes for Russia-China relations, Putin pointedly reminded his Chinese counterpart of the need for a state visit to Moscow in early 2023: "I have no doubt that we will find an opportunity to meet in person...next spring with a state visit to Moscow. This will demonstrate to the whole world how strong the Russian-Chinese friendship is, our agreement on key issues. Your visit will become the main political event of the year in bilateral relations."

In his brief opening remarks, Xi did not echo Putin's invitation for a trip to Moscow in the coming months. Under normal circumstances, Xi is supposed to be in Moscow in early 2023 to reciprocate Putin's February 2022 Beijing trip (as both a state visit and joining the opening of the Beijing Winter Olympics).

Still, Xi spoke highly of relations with Russia and the "need to maintain close coordination and collaboration in international affairs." He did not touch mil-mil cooperation but called for good use of "existing working mechanisms" for more "practical cooperation" in the economic area.

The Chinese readout concluded with Xi's call for peace dialogue and China's impartial posture regarding the Ukraine conflict. Apparently aware of the enormous difficulties on the part of Russia in reaching a peaceful settlement, Xi stated that "[T]he path of peace talks will not be a smooth one, but as long as parties do not give up, there will always be prospect for peace." To drive his point home, Xi "stressed that China has noted Russia's statement that it has never refused to resolve the conflict through diplomatic negotiations and China commends that."

The Kremlin transcript skipped Xi's peace points. It is unclear how Xi's state visit would be affected by the war and prospects for peace talks. In this regard, China found itself between a rock and hard place. At a minimum, a visit to Russia without a ceasefire would be politically inconvenient given China's declared impartiality. At the strategic level, however, skipping a state visit to Russia would undermine the mutual trust between China and its embattled partner, whose support for China is vital as Beijing's relations with Washington remained strained and even potentially explosive over Taiwan.

In late December, the same \$1.65 trillion US government spending package that authorized \$45 billion for Ukraine also allocated \$2 billion for Taiwan's defense, the first installment of a \$10 billion package for Taiwan in 2023-2027. In a parallel move, Taiwan was to extend its compulsory military service from four months to a year starting in 2024. Meanwhile, Japan was acquiring offensive weapons (500 US-made long-range *Tomahawk* cruise missiles) with a 26.8% increase in defense spending to 82 trillion yen (\$51.4 billion) for the 2023-24 fiscal year. Given these ominous signs, Beijing chose to continue its "normal" relations with its only reliable partner (Russia) in East Asia.

Normal Relations in Abnormal Times

In the last few months of 2022, both Moscow and Beijing seemed more determined to maintain a "normal" strategic partnership in the midst of fluidity and growing challenges. On Sept. 19, the 17th round of China-Russia strategic security consultation was held in Fujian Province, which faces Taiwan. Co-chaired by senior security officials (Yang Jiechi and Nikolai Patrushev), the consultation reportedly "achieved positive results." Patrushev took "a firm stand on the one-China principle, and firmly supports the measures taken by the Chinese government to safeguard the sovereignty and territorial integrity on the Taiwan question."

The Yang-Patrushev consultation was held four days after the Xi-Putin meeting in Uzbekistan and was followed by intensive engagement in diplomatic and security areas. Foreign Minister Wang Yi and Russian counterpart Lavrov met multiple times: a meeting in New York on Sept. 21, telephone talks on Oct. 27, and on the sidelines of the G20 meeting in Indonesia on Nov. 15. Even the change of the Russian ambassador in Beijing was given unusually high attention. In his meeting with outgoing Russian Ambassador Andrey Denisov on Sept. 3, Foreign Minister Wang Yi described Denisov as China's "good friend, old friend, and genuine friend." Russia's Ambassador to China <u>Igor Morgulov</u>, too, was given prominent reception.

A consistent theme of these activities was the Ukraine conflict and its possible de-escalation and resolution. In his New York meeting with Lavrov, Wang reiterated that China would continue upholding an objective and just position to promote peace talks. In an emergency UN session on Ukraine on Oct. 12, Chinese Ambassador Geng Shuang presented a fourpoint proposal urging all sides not to abandon dialogue and avoid the escalation and spillover effect of the Ukraine war. In their Nov. 15 meeting on the sidelines of the G20summit in Bali of Indonesia, Wang told Lavrov that "China noticed" Russia's Nov. 2 reaffirmed position that "a nuclear war cannot be won and must never be fought," which showed Russia's "rational and responsible attitude."

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Russia and China also markedly increased interactions in the security arena with a series of drills and joint patrols in the last few months of 2022:

Sept. 1-7: 2,000 PLA servicemen, 300 vehicles, 21 aircraft and 3 warships

joined Russia's <u>Vostok-2022</u> military drill in the Far East. For the first time, Chinese fighter-bombers (<u>J-10B</u>) took off from China and dropped payloads on targets inside Russia.

- Sept. 15: Russian and Chinese navies launched their 2nd joint Pacific patrol. They reached Alaskan waters on Sept. 19.
- Nov. 30: Russian and Chinese strategic bombers conducted a joint patrol over the western Pacific. Four Russian Tu-95 and two Chinese H-6K bombers flew over the Sea of Japan and the East China Sea during an eight-hour mission, the 5th time since 2019, and the second time in 2022. As part of the drills, Russian bombers for the first time landed in China and Chinese bombers flew to an air base in Russia.
- Dec. 21-27: Russian and Chinese navies conducted <u>Joint Sea-2022</u> naval exercises in the East China Sea, just 300 km from Taiwan, which was the closest to the island in the Sino-Russian joint naval exercises. Four Russian warships joined five Chinese vessels and practiced various items. It was the 10th drill of this kind since 2012.

Much of these drills was "routine." With the Ukraine conflict and rising tension over Taiwan, these exercises assumed an additional sense of importance and urgency, however.

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Even economics, the traditional "weakest link," showed signs of progress. The Russian side was more eager to push for more. On Dec. 21, the day Medvedev traveled to Beijing, inaugurated the gigantic Kovykta gas field and the 800-km Kovykta-Chayanda section of the Power of Siberia gas pipeline. It meant a substantial increase of Russian gas exports to China in coming years through both the existing Power of the Siberia line and the proposed Mongolian route, which is part of the China-Russia-Mongolia economic corridor, now in its planning stage.



Figure 3 The routes of the Power of Siberia pipeline (left), the Sakhalin–Khabarovsk–Vladivostok pipeline (right) and the proposed link between them (center) Photo: Power of Siberia

In 2022, Sino-Russian trade increased about 25%. The opening of the Blagoveshchensk-Heihe highway bridge on June 10 and the Nizhneleninskoye-Tongjiang railway bridge across the Amur River on Nov. 16 would further facilitate Russian-China economic transactions.

There are still many bottlenecks in Russia-China economic relations, particularly low efficiency and corruption on the Russian side. Western sanctions, too, were creating additional obstacles for joint projects with third-party components, such as the long-range, wide-body 280-seat passenger airliner CR929. Russia's reluctant pivot to the east and China's forced delinking of high-tech sectors from the West, however, gave rise to ambitious brainstorming for economic cooperation. One idea was a package of 79 large investment projects worth \$160 billion in Russia's Far East, which was discussed in the 27th prime ministerial meeting on Dec. 5.

It remains to be seen how these projects will be negotiated and initiated. By the end of 2022, Russia and China inked an agreement on a joint scientific lunar station. Construction of the lunar station was expected to be completed by 2035. Two missions were planned in 2026-2030 to test the technologies of landing and cargo delivery and the transportation of lunar soil samples to developing earth. Plans also included infrastructure in orbit and on the moon's surface (communications gears, electric power, research, and other equipment, etc.) in 2031-2035.

Shadow of 1916

Eight years ago at the height of the Ukraine/Crimea crisis, Henry Kissinger noticed an eerily familiar fascination among the public: everybody talked about confrontation, and nobody cared about how it ended. The worry of the geo-strategist—who will be a centenarian in May 2023—was derived from his own observation of post-WWII US military operations abroad: "four wars that began with great enthusiasm and public support, all of which we did not know how to end and from three of which we withdrew unilaterally." Kissinger advised that "the test of policy is how it ends, not how it begins."

Fast forward to Dec. 17, 2022. In an op-ed titled "How to Avoid Another World War," <u>Kissinger</u> targeted an audience now in the middle of what Kissinger saw as a comparable moment in 1916 when warring parties were briefly toying with the prospect of ending the two-year carnage inflicted by technology they "insufficiently" understood. Ultimately, those "sleepwalking" European leaders missed the chance for a formal peace process because of pride and hesitation. While "diplomacy became the road less traveled," the war went on for two more years and claimed millions more victims.

To avoid a replay of the missed peace and WWIII in which AI weapons would assume a life of their own, Kissinger proposed a ceasefire line along the borders that existed when the war started on Feb. 24, 2022 while the territory Russia occupied prior to that—including Crimea—would be the subject of a future negotiation. Eventually, a new strategic architecture in Europe would be built in which Ukraine "should be linked to NATO" while Russia would "eventually find a place in such an order."

Kissinger's latest, if not last, effort to search for an end of violence in Ukraine was not an isolated endeavor. Before the Ukraine military retook Kherson on Nov. 11, Gen. Mark Milley, chairman of the Joint Chiefs of Staff, had pushed for a diplomatic solution as fighting headed toward a winter lull. "When there's an opportunity to negotiate, when peace can be achieved, seize it. Seize the moment," Milley reportedly said at the Economic Club of New York. Milley was not urging a Ukrainian capitulation but was afraid that a prolonged war would lead to more death and destruction without changing the front lines. Although senior members of the Biden

administration did not share Milley's ideas, some of them (e.g., <u>Sullivan</u>) had reportedly been urging Ukraine to leave space for a diplomatic opening with Russia. The Biden team was yet to find a balance between values and interests.

Kissinger's ceasefire proposal was rejected by Kyiv. In fact, Zelenskyy signed a decree in early Oct. ruling out negotiations with Putin. In his meeting with Biden in Washington on Dec. 21, Zelenskyy reportedly rejected Biden's framing of a "just peace" in favor of his own peace plan for a "global peace summit" by the UN in February 2023, in which Russia could only be invited if it faced a war crimes tribunal first.

Moscow appeared more receptive to Kissinger's outline. Kremlin spokesman Peskov said Putin was "eager to give the article a thorough reading," but "hasn't had a chance to do so yet, unfortunately." Putin ordered a 36-hour ceasefire in Ukraine for the Orthodox Christmas holiday (Jan. 7, 2023).

Russia's inclination to pause the conflict was perhaps genuine, as the impact of the seemingly limited "special military operation" was felt "far bigger than that of the Crimean War of the mid-19th century or the Russo-Japanese war of the beginning of the 20th century," according to Dmitry Trenin. "The closest analogy one can find in Russian history is the First World War, and not only due to the dominance of artillery and the reality of trench warfare," added the Russian geostrategist. Trenin was not fatalistic but realistic enough to conclude his provocative piece that "[T]he path to a better future for Russia will have to be created in Ukraine—undoubtedly at a high price."

Beijing closely followed the interaction of peace/ceasefire proposals maintaining steadfastly its own peace-oriented posture. This was the case for all in-person and video meetings between top leaders (Xi, Putin, and Medvedev) and senior diplomats. Ukraine was not neglected. In his meeting with Ukraine Foreign Minister Dmytro <u>Kuleba</u> on the sidelines of the UN General Assembly in New York on Sept. 22, Chinese Foreign Minister Wang Yi said that China was for peace and by peace regarding the Ukraine conflict, and "never stands idly by, never adds fuel to the fire, and never takes advantage of the situation for self-interests." Kuleba reportedly replied that Ukraine attached importance to the international status and important influence of China, and expected the

Chinese side to play an important role in alleviating the current crisis. Wang apparently urged Ukraine to move toward a negotiated peace/ceasefire. Kuleba responded by saying that "Ukraine is ready to conduct dialogue and negotiations serving its national interests." During the meeting, Kuleba reiterated that Ukraine was committed to the one-China policy and expected to strengthen exchanges and cooperation with China in various fields.



Figure 4 Wang Yi Meets with Foreign Minister Dmytro Kuleba of Ukraine Photo: Chinese Ministry of Foreign Affairs

For Beijing, peaceful resolution of the Ukraine crisis had additional urgency because of its adverse impact on relations with Washington. Despite China's principled neutrality, there was a growing conceptual "Ukraine-Russian trap" (俄 乌陷阱) in US-China relations regarding Taiwan, argued Huang Renwei (黄仁伟), a prominent scholar in Shanghai. In this 21st-century "prisoner's dilemma" game, Beijing worried about a US-induced Ukrainization of the Taiwan issue that would interrupt China's historical rejuvenation; meanwhile, Washington saw a likely Russian-style operation against Taiwan by the Mainland. This "you-go-low-and-I-golower" race to the worst scenario would intensify confrontation between the two largest powers with grave consequences. Beijing's insistence on a peaceful resolution of the Ukraine crisis, therefore, was increasingly assuming a geopolitical dimension.

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As the Ukraine conflict dragged on, Kissinger's 1916 analogy was particularly relevant in the case of nuclear weapons. The year 2022 started with a <u>Joint Statement</u> by five nuclear-weapon states on preventing nuclear war and avoiding arms races. It was, ironically, followed by a proliferation of

<u>nuke talks</u> from all sides, something that was not seen even at the height of the Cold War. Russia's seizure of Ukraine's <u>Zaporizhzhia nuclear plant</u> and its off-and-on shelling, too, reinforced the nuclear specter.

Precisely because of this looming danger, the need for diplomacy was paramount, though it "may appear complicated and frustrating," cautioned Kissinger. The alternative could be far worse. In a broader conflict with AI weapons that "already exist, capable of defining, assessing and targeting their own perceived threats and thus in a position to start their own war," warned Kissinger, civilization may not be "preserved amid such a maelstrom of conflicting information, perceptions and destructive capabilities."

Unlike either WWI or WWII, WWIII would leave no winners.

CHRONOLOGY OF CHINA-RUSSIA RELATIONS

SEPTEMBER—DECEMBER 2022

Sept. 1-7, 2022: Russia <u>conducts</u> its Vostok-2022 military drill in the Far East <u>involving</u> more than 50,000 troops from 13 countries, including 2,000 servicemen, 300 vehicles, 21 aircraft, and 3 warships from China. President Putin observes the drill on Sept. 6. For the first time, Chinese fighter-bombers (J-10B) <u>take off</u> from China and drop their payload inside Russia.

Sept. 3, 2022: Foreign Minister Wang Yi <u>meets</u> in Beijing with outgoing Russian Ambassador Andrey Denisov who had been in the position since 2013.

Sept. 7-10, 2022: Top legislator Li Zhanshu <u>pays</u> an official visit to Russia and meets President Putin in Vladivostok. He was invited by Chairman of the Russian State Duma Vyacheslav Volodin.

Sept. 12, 2022: CPC Politburo member Yang Jiechi meets in Beijing with the outgoing Russian Ambassador Andrey Denisov.

Sept. 14, 2022: Deng Li, China's vice foreign minister on Middle Eastern affairs, <u>holds</u> political consultation with his Russian counterpart Mikhail Bogdanov via video link.

Sept. 15, 2022: Four Russian naval ships and three Chinese vessels launch their 2nd joint Pacific patrol. They are <u>spotted</u> off the Alaska waters by US Coast Guard on Sept. 19.

Sept. 15, 2022: Xi and Putin <u>meet</u> in person on the sidelines of the SCO Summit in Uzbekistan.

Sept. 16, 2022: SCO holds its 22nd summit in Uzbekistan, the first in-person gathering since the pandemic. SCO expansion is one of the main issues. The 6th China-Mongolia-Russian summit is hold on the sidelines of the SCO summit. Among the observer and partner participants were Alexander Lukashenko (Belarus), Seyyed Ebrahim Raisi (Iran), Ukhnaagiin Khurelsukh (Mongolia), Ilham Aliyev (Azerbaijan), Recep Tayyip Erdogan (Türkiye) and Serdar Berdimuhamedov (Turkmenistan).

Sept. 19, 2022: 17th round of China-Russia strategic security consultation is hold in Fujian Province facing Taiwan. It is co-chaired by senior security officials (Yang Jiechi and Nikolai Patrushev). The consultation reportedly "achieved positive results."

Sept. 21, 2022: Foreign Minister Wang Yi <u>meets</u> with Russian Foreign Minister Sergey Lavrov on the sidelines of the United Nations General Assembly (UNGA) in New York.

Sept. 22, 2022: FM Wang Yi meets Ukraine Foreign Minister Kuleba on the sidelines of the UNGA. Wang briefs Kuleba on China's "impartial and just" position on the Ukraine conflict, saying that China "never stands idly by, never adds fuel to the fire, and never takes advantage of the situation for self-interests." Kuleba reaffirms Ukraine's support for the one-China principle.

Sept. 24, 2022: Russian Foreign Minister Lavrov <u>accuses</u> the United States of "playing with fire" on the Taiwan issue in his speech at the UNGA meeting.

Sept. 27, 2022: Russia and China <u>sign</u> contracts for deployment of Russia's GLONASS stations in China (Changchun, Urumqi, and Shanghai) and China's Beidou system stations in Russia (Obninsk, Irkutsk, and Petropavlovsk-Kamchatsky).

Sept. 27, 2022: President Xi Jinping sends a message of condolence to Putin over a school shooting incident in the country.

Oct. 23, 2022: Putin <u>sends</u> a message of greetings to President Xi on his re-election to the post of General Secretary of the Chinese Communist Party Central Committee.

Oct. 17, 2022: Putin <u>signs</u> document making 2022 and 2023 Years of Russian-Chinese Cooperation in Sports and Fitness. This includes an international festival of university sports in Yekaterinburg in 2023 in which university teams

from BRICS, SCO, and CIS member states will take part.

Oct. 27, 2022: Russian FM Lavrov and Chinese FM Wang Yi hold telephone conversation. Lavrov briefs Wang on Russia's special operation in Ukraine and thanks China for supporting Russia's stance on Ukraine. Wang informs Lavrov about the outcomes of the CPC's 20th congress (Oct. 16-22).

Oct. 29, 2022: President Xi <u>sends</u> a congratulatory message to Russia-China Friendship Association on its 65th founding anniversary.

Oct. 31, 2022: Vice Foreign Minister Ma Zhaoxu meets new Russian Ambassador to China Igor Morgulov in Beijing.

Nov. 1, 2022: Chinese Premier Li Keqiang <u>chairs</u> the 21st SCO Prime Ministerial meeting.

Nov. 2, 2022: Russian Foreign Ministry <u>issues</u> a statement that Moscow strictly adheres to the principle of the inadmissibility of nuclear war in terms of its nuclear deterrence policy.

Nov. 15, 2022: FM Wang Yi meets Russian FM Lavrov on the sidelines of the G20 meeting in Indonesia. Wang tells Lavrov that China endorses Russia's no nuclear pledge on Ukraine and acknowledges that Russia reiterated its position that a nuclear war was "impossible and inadmissible." "It is a rational and responsible position from Russia." China reportedly objects to calling Russia's invasion of Ukraine a "war" in a joint communique.

Nov. 15, 2022: Special Representative of the Chinese Government on Korean Peninsula Affairs Liu Xiaoming <u>meets</u> in Beijing newly appointed Russian Ambassador to China Igor Morgulov.

Nov. 17, 2022: Assistant Foreign Minister Wu Jianghao <u>meets</u> in Beijing with newly-appointed Russian Ambassador to China Morgulov.

Nov. 25, 2022: Russia's space agency Roscosmos and China National Space Administration (CNSA) sign two documents: one on bilateral space cooperation in 2023–2027 and the other on cooperation in creating a joint scientific lunar station to be completed by 2035.

Nov. 27, 2022: Chinese FM Wang Yi meets in Beijing with newly-appointed Russian Ambassador to China Morgulov.

Nov. 30, 2022: Russian and Chinese strategic bombers <u>conduct</u> a joint patrol over the western Pacific. Four Russian Tu-95 and two Chinese H-6K bombers <u>fly</u> over the Sea of Japan and the East China Sea during an eight-hour mission. A Chinese YU-20 tanker, J-16 fighter jets, Russia's Su-30 SM, and Su-35S fighter jets escort the mission. This is the 5th time since the two sides <u>started</u> in 2019 and the second time in 2022. As part of the drills, Russian bombers for the first time <u>land</u> in China and the Chinese bombers fly to an air base in Russia.

Dec. 5, 2022: Russian Prime Minister Mikhail Mishustin and Chinese Premier Li Keqiang jointly <u>chair</u> the 27th prime minister meeting via video

Dec. 9, 2022: SCO and CIS defense ministers hold joint meeting in Moscow. Chinese Defense Minister Col. Gen. Wei Fenghe attends via video link. President Putin gives a video address, urging participants to "continue developing a constant exchange of information in defense policy within the SCO and the CIS, share experience in building national armed forces, ramping up military-technical cooperation and introducing the most advanced armaments and hardware."

Dec. 20-21, 2022: Chairman of the United Russia party and Deputy Chairman of the Russian Security Council Dmitry Medvedev <u>visits</u> Beijing and hold talks with CPC chairman Xi. Medvedev delivers a message from President Putin.

Dec. 21, 2022: President Putin <u>inaugurates</u> via video the Kovykta gas field (1.8 trillion cm reserves) and the 800-km Kovykta-Chayanda section of the Power of Siberia gas pipeline.

Dec. 21-27, 2022: Russian and Chinese navies conduct Joint Sea-2022 naval exercises in the East China Sea. Four Russian warships join five Chinese vessels and practice mine sweeping, air defense, communication, and anti-submarine items. It is the 10th drill of this kind since 2012.

Dec. 25, 2022: FM Wang Yi <u>says</u> relations with Russia are "rock solid" and that China would deepen ties with Russia in the coming year. He

also <u>defends</u> China's position of impartiality on the war in Ukraine.

Dec. 30, 2022: Putin and Xi <u>hold</u> a video conference. In addition to exchange of New Year greetings, the two also discuss the Ukraine issue, including the possibility of a peace negotiation.



COMPARATIVE

CONNECTIONS

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

INDIA-EAST ASIA RELATIONS

INDIA'S ONGOING 'STRATEGIC CORRECTION TO THE EAST" DURING 2022

SATU LIMAYE, EAST WEST CENTER IN WASHINGTON

India's East Asia relations in 2022 followed the arc articulated by External Affairs Minister Dr. S. Jaishankar's <u>address</u> at Chulalongkorn University in Thailand in August 2022. He began by recalling three decades ago India made a "strategic correction to the East" which was "[o]riginally...contemplated as an economic measure, with trade and investment at its core" and mostly focused on ASEAN. He went on to say the geography, concepts, and assessments of India's Indo-Pacific vision have expanded "to cover Japan, Korea and China, and in due course, Australia as also other areas of Pacific Islands...[and] facets of cooperation also increased...now cover[ing] connectivity in various forms, people-to-people ties and more recently, defense and security." And while dutifully referencing India's Indo-Pacific policies including Security and Growth for All in the Region (SAGAR) and the Indo-Pacific Oceans' Initiative (IPOI), he gave the most attention to the revitalized Quadrilateral Security Dialogue ("Quad").

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Aligned with this vision, the highlights of India in East Asia in 2022 were numerous Quad meetings, the inaugural India-ASEAN Defense Ministers' Meeting, the second India-Japan 2+2 Ministerial Dialogue, the Australian deputy prime minister and minister for defense's visit to India, and India's defense minister visits to Vietnam and Mongolia. Defense and security engagement included numerous exercises, defense dialogues, military-to-military exchanges, and navy ship visits.

India & the Quad and AUKUS

2022 was a very active year for the Quad with two leaders' summits and two foreign ministers' meetings. Prime Minister Narendra Modi, in an opening statement at the May leaders' summit in Tokyo stated that the Ouad's scope has become broader and its format is more effective, and it is giving new energy and enthusiasm to "the democratic forces giving a boost to a free, open and inclusive Indo-Pacific region." This, he said, will further strengthen the image of the Quad as a "Force for Good." In August, External Affairs Minister (EAM) Jaishankar, delivering an address on "India's Indo-Pacific Vision" in Bangkok, called the Quad the "most prominent plurilateral platform that addresses contemporary challenges and opportunities in the Indo-Pacific" and asserted that the "role of the Quad in the delivery of public goods can also be very significant." He went on:

We are confident that the entire Indo-Pacific region will benefit from its activities. And that is validated by the growing recognition of its importance in the international community. If there are reservations in any quarter, these stem from a desire to exercise a veto on the choices of others. And possibly a unilateralist opposition to a collective and cooperative endeavors.

The oblique, apparent reference to China's opposition to the Quad and framing of the Quad as a "public good" is aligned with other recent descriptions of the US-India partnership as a "Partnership for Global Good" and Modi describing the Quad as a "Force for Good"—neither formulation used by the Quad itself in official statements.

In September, on the sidelines of the UNGA in New York, both a Quad leaders' meeting and a Quad foreign ministers meeting took place. At the latter, Quad countries promised "to deepen Quad multilateral cooperation in support of advancing a free and open Indo-Pacific, which is inclusive and resilient" and agreed their "vision is for a region where the rules-based international order is upheld, and where the principles of freedom, rule of law, democratic values, peaceful settlement of disputes, sovereignty, and territorial integrity are respected." They singled out the maritime basis of their partnership in expressing the "conviction that international law, peace, and security in the maritime domain underpins the development and prosperity of the Indo-Pacific" and strong opposition to "any unilateral actions that seek to change the status quo or increase tensions in the region."

Quad countries also signed guidelines to operationalize the Quad Humanitarian Assistance and Disaster Relief Partnership for the Indo-Pacific, looked forward to the counterterrorism tabletop exercise being hosted by Australia later in 2022, and issued a <u>statement on</u> ransomware which calls on states to take reasonable steps to address ransomware operations emanating from their territory, and reiterated the Quad's commitment to supporting regional partners' efforts to improve their maritime security and domain awareness. They also reiterated a commitment to previously announced initiatives on health security, climate change, infrastructure, peaceful use of outer space, critical and emerging technologies, and cybersecurity.

India not only participated actively in all Quad meetings but raised its profile via the prime minister's and foreign minister's remarks and used Quad gatherings to conduct bilateral relationships with the US, Japan, and Australia.

India-Australia

India's bilateral relations with Australia were very active during the year. India's EAM visited Australia for the first time since assuming office in February 2022 to co-chair the 12th Foreign Ministers' Framework Dialogue with his counterpart, Australian Foreign Minister Marise Payne. They launched the inaugural Foreign Ministers' Cyber Framework Dialogue (FMCFD) and assessed the progress made toward of India-Australia implementation the Framework Arrangement on Cyber and Cyber-Enabled Critical Technology Cooperation and the subsidiary Plan of Action which they signed in June 2020. Jaishankar told a <u>press briefing</u> that India "warmly welcome[s] the announcements made by [Foreign Minister Payne], by the Australian government on enhancing engagement in the North-East Indian Ocean region..." He specifically flagged security cooperation saying, "our [defense] and security cooperation ... reflects our growing strategic convergence."

A virtual summit between Modi and Australian Prime Minister Scott Morrison on March 20 led to the announcement of agreements. These included the establishment of an annual summit, a Young Defense Officers' Exchange Program, an MoU on co-investment in Australian critical minerals projects, and cooperation via matching funds for Pacific Islands countries for the Infrastructure for Resilient Island States (IRIS) and the International Solar Alliance (ISA). The joint statement issued following the summit was diplomatically effusive about cooperation within the Quad but regarding AUKUS the statement simply said "Prime Minister Modi appreciated the briefing by Prime Minister Morrison on the Australia-UK-US (AUKUS) partnership. [The] Leaders recognized Australia's commitment to not develop nuclear weapons and to uphold the highest standards of nonproliferation." In keeping with announcements of enhanced cooperation on the Pacific Islands, an interesting element of the joint statement was mutual recognition and cooperation regarding "India's assistance to Tonga in the wake of the Hunga Tonga-Hunga Ha'apai volcanic eruption and tsunami and to Kiribati in response to the COVID-19 outbreak... [and] Australia's role in supporting the delivery of Indian HADR to these Pacific partners."

Modi had subsequent bilateral meetings with newly elected Australian Prime Minister Anthony Albanese in Japan during a visit to attend the inperson Quad Leaders' Summit on May 24 and again in September when the two met for another Quad Leaders' Summit on the sidelines of the UNGA in New York. After the May interaction PM Modi tweeted that "India's Comprehensive Strategic Partnership with Australia is robust and benefits not only the people of our nations but also the world...We discussed ways to add even greater momentum across key sectors."

Another important event was Australia's deputy prime minister and defense minister Richard Marles' visit to India and meeting with counterpart Defense Minister Singh in June to review defense cooperation and explore new initiatives to strengthen bilateral engagements. A joint press statement at the conclusion of discussions highlighted "the growing diversity and frequency of defense exercises and exchanges" and efforts to build upon operational engagements through the India-Australia Mutual Logistics Support Arrangement, "give fillip to the India-Australia Joint Working Group (JWG) on Defense Research and Materiel Cooperation...which is a crucial mechanism for boosting ties between defense industries, increase the resilience of supply chains and deliver capabilities to their respective defense forces."



Figure 1 Australian Deputy Prime Minister and Minister for Defence Richard Marles and Indian Defence Minister Rajnath Singh meet in New Delhi in June 2022. Photo: Twitter/@rajnathsingh

Indian EAM Jaishankar went to Australia again in October for the 13th Foreign Ministers' Framework Dialogue (FMFD) with counterpart Penny Wong and additional meetings including with the defense minister. The EAM described the interactions with Australia as "a very, very useful, very productive, very comfortable..." though he said there is "great potential in terms of giving a greater, I would say, quality [emphasis added] to our bilateral partnership." And while noting the numerous times he had interacted with Wong and the fact that six of his Cabinet colleagues had visited Australia in 2022, he noted that "[w]e are, you know, looking at finding ways of sort of taking it to higher levels." In assessing the bases of the relationship, EAM Jaishankar noted that "I think the underpinning of that really is that, as liberal democracies, we both believe in a rules-based international order, in freedom of navigation in international waters, in

promoting connectivity, growth and security for all, and as [Foreign Minister] Wong said, in ensuring that countries make sovereign choices on matters that are important to them."

The final high-level exchange occurred in November when Modi and Albanese hold a bilateral meeting on the G20 sidelines during which they "expressed satisfaction at the excellent state of relations between the two countries under the Comprehensive Strategic Partnership and the high-level interactions taking place on a regular basis between India and Australia."

Other India-Australia engagements during the year included numerous exchanges of military service chiefs, navy-to-navy staff talks, participation of an Indian P8I aircraft in Exercise Kakadu, a visit by India's Chief of Naval Staff, conduct of Coordinated Operations in Anti-Submarine Warfare and surface surveillance off Darwin by India and Australia's Maritime Patrol Reconnaissance Aircraft (MPRA), and the India-Australia bilateral training exercise "AUSTRA HIND 22" between contingents of the Indian Army and the Australian Army.

All in all, 2022 saw a robust and wide range of India-Australia relations.

India-Japan

The India-Japan bilateral relationship was also active during the year, including one visit by the Japanese prime minister to India and two by India's prime minister to Japan, plus various interactions during the year on the sidelines of the Quad and other multilateral gatherings. In March, Prime Minister Kishida visited India for the 14th annual India-Japan Summit in March 2022—the first since October 2018—to advance the "Special Strategic and Global Partnership." Prime Minister Modi gave a press statement which made no reference to Japan-India security ties, instead focusing on commercial/economic issues and cooperation on energy. Of the MoUs and agreements announced during the visit, most focused on commercial and economic development and only one was security related on cooperation in cybersecurity. The joint statement issued by the two leaders opened with security and defense cooperation, noting that they "appreciated the significant progress made in security and defense cooperation and reaffirmed their desire to further deepen it."

However, the joint statement made *no mention* of Russia's invasion of Ukraine the previous month.



Figure 2 Japanese Prime Minister Kishida Fumio and Indian Prime Minister Narendra Modi pose for photographs at Hyderabad House in New Delhi in March 2022. Photo: Bloomberg

Prime Minister Modi traveled to Tokyo in May where the two sides "agreed to further enhance bilateral security and [defense] cooperation, including the area of [defense] in manufacturing...[and]...concurred that the next 2+2 Foreign and [Defense] Ministerial Meeting may be held in Japan at the earliest." A focus of Modi's Japan visit was commercial relations "to realize JPY 5 trillion [approximately \$40 to \$42] billion] in public and private investment and financing over the next five years from Japan to India" as agreed during the India-Japan summit in March.

In September the two countries held the second iteration of the 2+2 talks (the inaugural 2+2 took place in 2019) with EAM Jaishankar and Defense Minister Singh meeting Japanese Foreign Minister Hayashi Yoshimasa and Defense Minister Hamada Yasukazu. The respective ministers also held separately a Defense Ministerial Meeting and Foreign Ministers' Strategic Dialogue. The 2 + 2 joint statement described discussion on regional and global issues as "frank and fruitful" and highlighted key results including dialogues on disarmament and non-proliferation, maritime affairs, space, and cyber, Japan's participation (for the first time) in the multilateral exercise MILAN, and the operationalization of the Agreement Concerning Reciprocal Provision of Supplies and Services' They also "concurred to launch the Joint Service Staff Talks between the Japan Joint Staff and the Indian Integrated [Defense] Staff' and "noted with pleasure that the air services of the two countries are working closely for the early

conduct of inaugural India-Japan fighter exercise." EAM Jaishankar in his opening remarks noted "in recent times very serious developments, especially since our last meeting in 2019" and focused only on COVID and its impacts on food and energy security—with no reference to Russia's February 2022 invasion of Ukraine. An elliptical reference to the war in Europe may have been this call: "As we face these challenges, it is important we work collectively to find common solutions through the path of dialogue and diplomacy." In post 2+2 remarks, the EAM noted that "Our consultations in various formats have dwelt on the imperative of economic security. We are also working together on cyber security, 5G deployment and critical and strategic minerals." He also noted the "...ongoing endeavor to deepen our [defense] exchanges and explore areas for practical cooperation." EAM Jaishankar acknowledged that while "We have a particular responsibility for ensuring a free, open, inclusive and prosperous Indo-Pacific..." the India-Japan "Special Strategic and Global Partnership reflects interests and increasingly our footprint that extend well beyond the immediate region." India's defense minister, in his statement, "noted the progress in the military-to-military cooperation and exchanges between the two sides...[and] a common desire to further increase the scope and complexities of our bilateral exercises. We have established staff talks and [h]igh-level dialogue between all the three Services and the Coast Guard. I am glad that we have now agreed on Staff Talks between the Joint Staff of the Japanese Self Defense Forces and the Integrated [Defense] Staff of India. The participation of Japan for the first time in the multilateral exercise MILAN operationalization of the Reciprocal Provision of Supply and Services Agreement in March this year are milestones in the progress of [defense] cooperation between our Forces. We are happy to note that our Air Forces are working closely for early conduct of the inaugural Air Force fighter exercise."

"Enhancing the Defense Equipment and Technological Cooperation between India and Japan is one of our key priority areas," he went on. He also noted "extensive discussions on ways to enhance maritime cooperation including Maritime Domain Awareness" but did not announce any new initiative or specific agreement to do so.

In September, Modi traveled to Japan for the state funeral of former Prime Minister Abe Shinzo. He held a brief bilateral meeting with Kishida during which they "renewed their commitment towards further strengthening the India–Japan Special Strategic and Global Partnership, and in working together in the region and in various international groupings and institutions."

India-China

There were no bilateral meetings between senior Indian officials and leaders and their Chinese counterparts in 2022 despite opportunities to do so on the sidelines of interactions at various multilateral gatherings during the year. For example, on May 19, Taishankar participated in a virtual meeting of the BRICS foreign ministers chaired by China. And on June 23 the XIV BRICS Summit was held in Beijing at which a 75-point Declaration was issued. Modi attended the Shanghai Cooperation Organizations <u>Leaders Summit</u> in Samarkand on Sept. 16 but did not hold any bilateral talks with his Chinese counterpart. EAM Jaishankar participated in another BRICS foreign ministers meeting on the margins of the UNGA on Sept. 16. And in mid-November at the G20 meeting in Indonesia, Modi and Xi Jinping briefly greeted each other, shook hands, and spoke informally; again, however, there were no bilateral official talks. The November interaction was the first time the two leaders had encountered each other since the border stand-offs throughout much of



Figure 3 The May 2022 BRICS Ministers of Foreign Affairs/International Relations virtual meeting, chaired by Chinese Foreign Minister Wang Yi. Photo: Ministry of Foreign Affairs of the People's Republic of China

Border management issues continued during the year, however. India's end-of-year Ministry of Defense report <u>characterized</u> the state of play as follows:

- "With diplomatic and military efforts, effective disengagement with PLA forces was achieved from the area of PP 15 (Eastern Ladakh) in September. This disengagement was carried out almost a after the previous disengagement which was effected from Gogra in August 2021. As part of the engagement mechanism, a total of 16 rounds of Corps Commander Level Meetings and 12 related Working Mechanism for Consultation Coordination meetings have been held till date and subsequent talks are being scheduled to discuss disengagement in the balance friction areas in Eastern Ladakh.
- "However, on December 9, 2022, PLA troops tried to transgress LAC in Yangtse area of Tawang sector and unilaterally change the status quo. Parliament was told by the Defense Minister that the Chinese attempt was contested by Indian troops in a firm and resolute manner. The ensuing face-off led to a physical scuffle in which the Indian Army bravely prevented the PLA from transgressing into Indian territory and compelled them to return to their posts. The scuffle led to injuries to a few personnel on both sides. As a follow-up of the incident, local Commander in the area held a Flag Meeting with his Chinese counterpart on December 11 to discuss the issue in accordance with established mechanisms. The issue was also taken up the Chinese side through diplomatic channels," he said.

The bottom line is that India-China relations remained in a deep chill during 2022 with the most *pro forma* interactions on the sidelines of multilaterals rather than bilateral engagement. Bilateral relations remained focused on border disengagement and fresh incursions.

India-Southeast Asia/ASEAN

2022 marked the 30th Anniversary of India-ASEAN Dialogue Relations and on June 16 a Special ASEAN-India Foreign Ministers' took

place, leading to a joint statement. In November, on the sidelines of the East Asia Summit (EAS), the 19th India-ASEAN Summit was held and led to a joint statement on the new comprehensive strategic partnership but only India's vice president—accompanied by External Affairs Minister Jaishankar—traveled commemorative summit Other 2022 commemorative events in India-ASEAN relations included the visit of ASEAN Inter-Parliamentary Assembly delegation to India in August; the ASEAN-India High Level Conference on Renewable Energy in February; the launch of ASEAN-India Network of Universities in August; the ASEAN-India Artists Camp in October, and the ASEAN-India Defense Ministers' Informal Meeting.

In addition to engaging ASEAN, India held numerous interactions with ASEAN member countries.

India-Cambodia

Cambodia as the ASEAN chair in 2022 received notable attention from Indian officials in 2022 out of necessity for multilateral meetings but also on a bilateral basis. Prime Minister Modi had a virtual meeting with Prime Minister Hun Sen on May 18 at which they discussed "comprehensively" the bilateral relationship and Hun Sen thanked India for providing 3.25 lakh (hundred thousand) doses of Indiamanufactured Covishield vaccines under the Quad vaccine initiative. Jaishankar, while on an August visit to Cambodia, participated in the annual ASEAN-India foreign ministers meeting and called on Prime Minister Hun Sen.

India was represented by its vice president for summit meetings in November during which he also called on the King of Cambodia, Prime Minister Hun Sen, and Senate President Say Chhum. A specific hope for cooperation was capacity building and demining. A press briefing noted plans for the deputy commander of the Indian Army to visit Cambodia and an Indian official stated that "defense area is an area in which we want to take our relationship forward, we have also offered Line of Credit to Cambodia and when the visit will happen, there will be a conversation in all these issues, and about Line of Credit [utilization]."

India-Vietnam

Indian Defense Minister Rajnath Singh's visit to Vietnam was flagged as one of the key events of India's engagement in the region by the Ministry of Defense. He held talks with Vietnamese counterpart Gen. Phan Van Giang on the 50th anniversary of India-Vietnam diplomatic relations and 75th anniversary of India's independence. A Comprehensive Strategic Partnership was announced, and Singh attended a handing over ceremony of 12 High Speed Guard Boats constructed under the government of India's \$100 million Defense Line of Credit to Vietnam. He also visited training institutions at Nha Trang, including the Telecommunication University where an Army Software Park is being established with a \$5 million grant from India.

The two countries held a <u>Vietnam-India Bilateral Army Exercise</u> (Vinbax 2022) which highlighted multi-agency humanitarian assistance in disaster relief. An official press release noted that "[w]hat made the exercise unique was the fact that it was the first time ever that the Vietnam People's Army (VPA) was undertaking a Field Training Exercise with any foreign Army. The fact that Vietnam chose India for this honor, speaks volumes about the value the two countries place on their mutual relationship." There were also <u>Indian Navy ship visits</u> to Ho Chi Minh City.

India-Philippines

In January India's BrahMos Aerospace Private Limited (BAPL) signed a contract with the Department of National Defense of the Republic of Philippines for the supply of Shore Based Anti-Ship Missile System to the Philippines. A press release declared the "contract is an important step forward for Government of India's policy of promoting responsible [defense] exports." The Indian navy ship INS Satpura "on a deployment to the South China Sea (SCS) and West Pacific" in June visited Manila "aimed at strengthening mutual working relationships interoperability between the Indian Navy and the Philippines Navy."

India-Malaysia

India and Malaysia exchanged relatively high-level defense visits during the year. Adm. Tan Sri Mohd Reza Bin Mohd Sany, chief of the Royal Malaysian Navy <u>visited India</u> in August at the invitation of Adm. R Hari Kumar, chief of the

Naval Staff, Indian Navy. An official statement said the two sides "identified several new avenues for further strengthening bilateral naval cooperation" and that "[b]ilateral cooperation between the Indian Navy and Royal Malaysian Navy spans across a wide canvass ranging from operations" to including exercise Samudra Laksamana in May and Navy to Navy Staff Talks in June. Lt. Gen. BS Raju, vice chief of Army Staff (VCOAS) made a visit to Malaysia in December. A <u>press release</u> reported that "[d]uring the visit, the Vice Chief will take forward the excellent defense cooperation between India and Malaysia through multiple meetings with senior military and civilian leadership of the country." The two countries also <u>conducted a bilateral air force exercise</u> named "Udarashakti."

Conclusion

As the review of India's relations with East Asia in 2022 highlights, an ongoing "strategic correction to the East" is visible via a range of multilateral and bilateral mechanisms as well as the growth of defense and security-related engagements with numerous countries going well beyond Southeast Asia. Increasing interaction in the East is directly integrated with India's relations with the United States. Though compared to other major powers India may be a modest Indo-Pacific interlocutor in overall defense and security terms, and a somewhat marginal player when it comes to formal membership in regional trade agreements, a "whole of India government" engagement with the Indo-Pacific region is now institutionalized. India's engagement in the Quad, and the Quad's evolution as a "force for good" in the region, could further consolidate India's strategic correction to the East.

CHRONOLOGY OF INDIA-EAST ASIA RELATIONS

JANUARY—DECEMBER 2022

Feb. 10-13, 2022: India's External Affairs Minister (EAM) Dr. S. Jaishankar visits Australia to co-chair the 12th Foreign Ministers' Framework Dialogue with counterpart, Australian Foreign Minister Marise Payne. The two launch the inaugural Foreign Ministers' Cyber Framework Dialogue (FMCFD) and assess the progress made towards implementation of the India-Australia Framework Arrangement on Cyber and Cyber-Enabled Critical Technology Cooperation and the subsidiary Plan of Action signed in June 2020.

Feb. 12, 2022: Jaishankar <u>attends</u> the 4th Quad Foreign Ministers' meeting in Melbourne Australia and <u>makes</u> remarks at a press briefing after a joint statement is issued.

Feb. 13-15, 2022: Jaishankar makes his first visit to the Philippines as foreign minister to review relations with counterpart Teodoro L. Locsin Jr., secretary of Foreign Affairs. The meeting occurs two weeks after BrahMos Aerospace Private Limited (BAPL), a joint venture with India's Defense Research and Development Organization, signed a contract with the Philippines Department of National Defense to supply shore-based anti-missile system. A readout notes agreement "to further work towards strengthening engagement in counterterrorism and defense and maritime security, covering defense capabilities as well as military training and capacity building."

Feb. 25-28, 2022: Australia's vice admiral, chief of navy, Michael Noonan, visits India, including the HQ of Eastern Naval Command, to participate in Indian Navy's biennial multilateral naval exercise MILAN 22, be a guest speaker during the International Maritime Seminar of MILAN, and hold talks with Indian navy counterparts about "avenues to strengthen the growing cooperation between the two nations and navies." A press statement described the visit as "an important event in the continued and regular dialogue between Indian Navy and the Royal Australian Navy to cement and strengthen their comprehensive global strategic partnership

further" and build on the 'Joint Guidance for Australia—India Navy to Navy Relationship' signed in August 2021."

March 8-11, 2022: Australia's Lt Gen Richard Maxwell Burr, Chief of Army, <u>visits</u> India for talks with India's chief of Army Staff, chief of Naval Staff, chief of Air Staff and other senior military officers "regarding measures for enhancing [defense] cooperation between both armies."

March 21, 2022: Prime Minister Modi and Australia's Prime Minister Scott Morrison <u>hold</u> virtual summit leading to a joint statement and the signing of multiple agreements

March 19-22, 2022: Japan's Prime Minister Kishida Fumio visits India for 14th annual India-Japan Summit—the first since October 2018—to advance the "Special Strategic and Global Partnership." PM Modi gives a press statement which makes no reference to Japan-India instead focusing security ties, commercial/economic issues and cooperation on energy. Of the MoUs and agreements announced during the visit most focused on commercial and economic development and only one was related—on cooperation cybersecurity. The joint statement issued by two leaders opened with security and defense cooperation, noting that they "appreciated the significant progress made in security and defense cooperation and reaffirmed their desire to further deepen it." The joint statement makes no mention of Russia's invasion of Ukraine the previous month.

April 4-6, 2022: Gen. M.M. Naravane, India's Chief of Army Staff (COAS) <u>visits</u> Singapore to discuss avenues for enhancing India-Singapore defense relations.

April 11-12, 2022: Jaishankar <u>visits</u> Washington, DC for 4th India-US 2+2 bilateral dialogue. PM Modi and President Biden hold a virtual meeting during the EAM's visit. The joint statement of the 2+2 dialogue <u>opens</u> with a section on "Global Partnership and Indo-Pacific Cooperation."

April 11–13, 2022: India and Australia's navies hold 14th round of staff talks in New Delhi at which they "agree[...] to enhance collaboration and interoperability towards ensuring maritime security in IOR [Indian Ocean Region]."

April 12, 2022: India and Australia's Maritime Patrol Reconnaissance Aircraft (MPRA) conduct Coordinated Operations in Anti-Submarine Warfare and surface surveillance off Darwin, northern Australia. A press statement notes that the "maritime waters between Indonesia and Northern Australia is an area of mutual interest to both countries, being a gateway into the Indian Ocean Region."

May 23-25, 2022: PM Modi travels to Tokyo for a bilateral summit with PM Kishida and to attend the Quad Leaders Summit. The two prime ministers announce no new major securityrelated initiatives, saying only that they "agreed to further enhance bilateral security and [defense] cooperation, including in the area of defense manufacturing... [and] ...concurred that the next 2+2 Foreign and Defense Ministerial Meeting may be held in Japan at the earliest." A particular focus of PM Modi's Japan visit is for commercial relations "to realize 5 trillion yen [approximately \$40 to \$42 billion] in public and private investment and financing over the next five years from Japan to India" as agreed during an earlier India-Japan summit in March.

May 24, 2022: Modi <u>attends</u> a Quad Leaders Meeting "to review progress of Quad initiatives and Working Groups, identify new areas of cooperation and provide strategic guidance and vision for future collaboration." In an opening statement at the Quad, Modi <u>states</u> that the Quad's scope has become broader, its format more effective, it is giving new energy and enthusiasm to the democratic forces giving a boost to a free, open and inclusive Indo-Pacific region," and will further strengthen the image of the Quad as a 'Force for Good'. The Quad country leaders also <u>issue</u> a joint statement.

May 24, 2022: In Japan, Modi has a bilateral meeting with President Biden following up on an April 11 virtual meeting to develop the India-US Comprehensive Strategic Global Partnership. Of particular security significance was the launch of the "India-U.S. Initiative on Critical and Emerging Technologies. Modi "welcomed the launch of Indo-Pacific Economic Framework for Prosperity (IPEF) and stated that India is ready to work closely with all partner countries to shape a

flexible, and inclusive IPEF taking into consideration the respective national circumstances."

May 24, 2022: In Japan, Modi <u>has</u> a bilateral meeting with Australia's Prime Minister Anthony Albanese. Modi <u>tweeted</u> that "India's Comprehensive Strategic Partnership with Australia is robust and benefits not only the people of our nations but also the world...We discussed ways to add even greater momentum across key sectors."

June 8-11, 2022: India's Defense Minister Rajnath Singh <u>visits</u> Vietnam to hold talks with his Vietnamese counterpart Gen. Phan Van Giang on the historic occasion of 50 years of establishment of India-Vietnam Diplomatic relations and 75 years of India's Independence.

June 16, 2022: A Special ASEAN-India Foreign Ministers' Meeting celebrating the 30th Anniversary of ASEAN-India Dialogue Relations is <u>held</u> in Cambodia following which a joint statement is released.

June 20-23, 2022: Australia's Deputy Prime Minister and Minister for Defense Richard Marles <u>visits</u> India and meets Defense Minister Singh to review defense cooperation and explore new initiatives to further strengthen bilateral engagements.

June 27, 2022: India's DM Singh holds video conference with Malaysian counterpart Senior Defense Minister of Malaysia YB Dato 'Seri Hishammuddin Tun Hussein on ways to enhance cooperation under the Malaysia India Defense Cooperation Meeting (MIDCOM) framework.

Aug. 3-4, 2022: Jaishankar <u>visits</u> Cambodia for ASEAN-India ministerial meeting to review India-ASEAN relations.

Aug. 16-18, 2022: Jaishankar visits Thailand to co-chair the 9th Meeting of India-Thailand Joint Commission (JCM) with Don Pramudwinai, deputy prime minister and minister of Foreign Affairs. He gives an address on "India's Vision of the Indo-Pacific" at Chulalongkorn University. The JCM was preceded by the Senior Officials' Meeting (SOM) on Aug. 16 where the two sides held discussions on areas of bilateral cooperation along with regional and multilateral issues. MoUs were signed Health and Medical Research

Cooperation and Cooperation & Collaboration on Broadcasting.

Sept 5-7, 2022: India's DM Songh makes firstever visit to Mongolia including bilateral talks with Mongolia's Minister of Defense Lt Gen. Saikhanbayar and calls on President of Mongolia U. Khurelsukh and chairman of the State Great Khural of Mongolia G Zandanshatar. An official press release $\underline{\text{describes}}$ the visit as "[g]iving push to strategic partnership with East Asian countries." Specific outcomes included inauguration of a Cyber Security Training Centre and laying of a foundation stone of the India-Mongolia Friendship School, both built with Indian assistance.

Sept. 7-10, 2022: Jaishankar and DM Singh visit Japan for the second iteration of 2+2 talks (the inaugural 2+2 was held in 2019) as well as a separate Defense Ministerial Meeting and Foreign Ministers' Strategic Dialogue with Japanese counterparts Foreign Minister Hayashi Yoshimasa and Defense Minister Hamada Yasukazu.

Sept. 22-25, 2022: PM Modi <u>travels</u> to the US for a bilateral summit with President Biden at the White House, a Quad leaders' summit in New York, and UNGA meetings. He also held other Indo-Pacific related bilateral leaders' meetings. This is the first in-person meeting between Biden and Modi.

Sept. 26–28, 2022: Modi travels to Japan for the state funeral of former Prime Minister Abe Shinzo. He <u>holds</u> a brief bilateral meeting with Kishida during which they "renewed their commitment towards further strengthening the *India–Japan Special Strategic and Global Partnership*, and in working together in the region and in various international groupings and institutions."

Sept. 18-28, 2022: Jaishankar <u>visits</u> the US for what a pre-departure statement describes as "plurilateral meetings of the Quad, IBSA, BRICS, India—Presidency Pro Tempore CELAC, India—CARICOM and other trilateral formats, such as India-France-Australia, India-France-UAE and India-Indonesia-Australia...and bilateral meetings with Foreign Ministers of the G20 and UNSC member states..." He also attends a high-level meeting of members of the L.69 group and other invited like-minded countries on "Reinvigorating Multilateralism and Achieving

Comprehensive Reform of the UN Security Council."

Sept. 22, 2022: Jaishankar participates in the meeting of BRICS (Brazil, Russia, India, China, and South Africa) Ministers of Foreign Affairs and International Relations, including Minister of Foreign Affairs of China Wang Yi. A press statement issued at the end of consultations did not mention Ukraine but included as a third bullet acknowledgement of "the annual UNGA resolution on 'Combating glorification of Nazism, neo-Nazism and other practices that contribute to fueling contemporary forms of racism, racial discrimination, xenophobia and related intolerance'."

Sept. 22, 2022: Jaishankar participates in the Foreign Ministers of the G4 countries (Brazil, India, Germany, and Japan) meeting to exchange views on reform of the UN Security Council. This meeting is another opportunity for a meeting between EAM and Japan's FM Hayashi.

Sept. 23, 2022: Quad Foreign Ministers Meeting on the sidelines of the 77th UNGA. Quad countries "to deepen Quad multilateral promised cooperation in support of advancing a free and open Indo-Pacific, which is inclusive and resilient" and agreed their "vision is for a region where the rules-based international order is upheld, and where the principles of freedom, rule of law, democratic values, peaceful settlement of disputes, sovereignty, and territorial integrity are respected." They also <u>signed</u> guidelines to operationalize the Quad Humanitarian Assistance and Disaster Relief Partnership for the Indo-Pacific, looked forward to the counterterrorism tabletop exercise being hosted by Australia later in 2022, and <u>issued</u> a statement on ransomware which calls on states to take reasonable steps to address ransomware operations emanating from their territory, and reiterated the Quad's commitment to supporting regional partners' efforts to improve their maritime security and domain awareness.

Sept. 25–28, 2022: Jaishankar <u>visits</u> Washington for bilateral meetings with counterpart Secretary of State Antony Blinken, senior members of the US administration, US business leaders, a roundtable focused on S&T and interaction with the Indian diaspora.

Sept. 28–31, 2022: Republic of Korea (ROK) Navy Cruise Training Task Group consisting of two

naval ships, *ROKS Hansando* and *ROKS Daecheong* arrived in Chennai on a three-day visit.

Sept. 29-Oct. 1, 2022: India's Chief of the Naval Staff (CNS), Adm. R Hari Kumar, <u>visited</u> New Zealand where he held discussions with Rear Adm. David Proctor, chief of Navy, RNZN. An Agreement on White Shipping Information Exchange was signed during this visit.

Oct. 5-11, 2022: Jaishankar <u>visits</u> New Zealand. A statement prior to the visit notes that this was his first visit to New Zealand where he would hold meetings with Prime Minister Jacinda Ardern and Foreign Minister Nanaia Mahuta "to discuss and review the entire gamut of our relations."

Oct. 9-11, 2022: Jaishankar <u>visits</u> Canberra and Sydney Australia for the 13th Foreign Ministers' Framework Dialogue (FMFD) along with counterpart Penny Wong. He also meets Australia's Deputy Prime Minister and Defense Minister Richard Marles. EAM <u>described</u> the interactions with Australia as "a very, very useful, very productive, very comfortable..." though he said there is "great potential in terms of giving a greater, I would say, quality to our bilateral partnership."

Oct. 14-18, 2022: India's Defense Minister addresses the 18th Heads of Asian Coast Guard Agencies Meeting HACGAM which the Indian Coast Guard (ICG) is hosting.

Oct. 20, 2022: Mongolia's Defense Minister Saikhanbayar Gursed visits India for 12th DefExpo in Gandhinagar, Gujarat and has a bilateral meeting on the sidelines with Indian DM Singh.

Oct. 26-30, 2022: India's navy <u>hosts</u> the 29th edition of the Singapore-India Maritime Bilateral Exercise (SIMBEX) at Visakhapatnam.

Nov. 5-9, 2022: India's Chief of Naval Staff Adm. R. Hari Kumar, makes official visit to Japan for the International Fleet Review (IFR) hosted by the Japan Maritime Self-Defense Force (JMSDF) off Yokosuka in commemoration of the 70th Anniversary of its formation.

Nov. 11-13, 2022: India's Vice President Jagdeep Dhankhar, accompanied by External Affairs Minister Jaishankar, <u>visits</u> Cambodia to attend the ASEAN-India Commemorative Summit on

Nov. 12, the 17th East Asia Summit, bilateral engagements with the Cambodian leadership including the Cambodian king, prime minister, president of senate, and other bilateral meetings.

Nov. 14-16, 2022: PM Modi travels to Indonesia for the G20 Summit on the sidelines of which he holds a number of meetings with Indo-Pacific leaders.

Nov. 15, 2022: Modi has bilateral meeting with Biden on the G20 sidelines during which the two leaders "reviewed the continuing deepening of the India – US strategic partnership including cooperation in future oriented sectors like critical and emerging technologies, advanced computing, artificial intelligence, etc. [and] expressed satisfaction about the close cooperation between India and US in new groupings such as the Quad, I2U2, etc."

Nov. 15, 2022: Modi holds trilateral meeting with Presidents Biden and Widodo on G20 sidelines.

Nov. 16, 2022: Modi holds bilateral meeting with Singapore's PM Lee Hsien Loong during which they reviewed the Strategic Partnership and various "regular high level Ministerial and institutional interactions, including the inaugural session of the India-Singapore Ministerial Roundtable, held at New Delhi in September 2022.

Nov. 16, 2022: Modi and Australian PM Albanese hold a bilateral meeting on the G20 sidelines during which they "expressed satisfaction at the excellent state of relations between the two countries under the Comprehensive Strategic Partnership and the high-level interactions taking place on a regular basis between India and Australia."

Nov. 21-23, 2022: Indian Naval Ships *Shivalik* and *Kamorta*, during their stay at Busan, Korea <u>participate</u> in multiple activities with the RoK Navy that include official and social interactions, cross-deck visits and sports fixtures.

Nov. 22-23, 2022: Indian DM Singh <u>visits</u> Cambodia to attend ASEAN Defense Ministers Plus Meeting and <u>participate</u> in the first India-ASEAN Defense Ministers meeting to commemorate the 30th Anniversary of India-ASEAN relations in 2022, which has been designated as "ASEAN-India Friendship Year."

Nov. 28-Dec. 12, 2022: India-Malaysia joint military annual training exercise "Harimau Shakti -2022" is <u>conducted</u> at Pulai, Kluang, Malaysia.

Nov. 28-Dec. 11, 2022: India-Australia bilateral training exercise "AUSTRA HIND 22" between contingents of the Indian Army and the Australian Army takes place at Mahajan Field Firing Ranges (Rajasthan). This is the first exercise in the series of AUSTRA HIND with participation of all arms and services contingent from both armies.

Dec. 13-15, 2022: Jaishankar <u>visits</u> New York for events related to India's December presidency of the UNSC. The three priorities are: "New Orientation for Reformed Multilateralism" [NORMS]; "Global Approach to Counter Terrorism — Challenges and Way Forward"; "Group of Friends for Accountability for Crimes against Peacekeepers".

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