PACIFIC FORM

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

> EDITED BY ROB YORK BRAD GLOSSERMAN

JANUARY – APRIL 2023 VOL. 25, NO. 1 MAY 2023

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PACIFIC FORUM

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PACIFIC FORTUR CONNECTIONS

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

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ROB YORK, PACIFIC FORUM **BRAD GLOSSERMAN,** TAMA UNIVERSITY CRS/PACIFIC FORUM

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> > HONOLULU, HAWAII

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

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.

Comparative Connections: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific (print ISSN 1930-5370, online E-ISSN 1930-5389) is published three times annually (January, May, and September) at 1003 Bishop Street, Suite 1150, Honolulu, HI 96813.

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BY RALPH COSSA, PACIFIC FORUM & **BRAD GLOSSERMAN,** TAMA UNIVERSITY CRS/PACIFIC FORUM

As broad-based multilateral organizations seem to be increasingly unable (or unwilling) to tackle the major security challenges of the day—Russia-Ukraine, China-Taiwan, North Korea, and Myanmar, to list but a few—more focused "minilateral" efforts involving "like-minded" allies and partners are coming to the fore. Foremost among the dysfunctional are the United Nations Security Council (UNSC) and broader UN mechanisms, thanks to Russian and Chinese intransigence. Sadly, ASEAN-led mechanisms like the East Asia Summit and ASEAN Regional Forum, not to mention ASEAN itself, also fall into this category, as does the G20, whose foreign ministers failed to reach any meaningful conclusions at their early March 2023 meeting, their first with India at the helm. Enter the Quadrilateral Security Dialogue (or "Quad," involving Australia, India, Japan, and the United States), AUKUS (Australia-United Kingdom-US technical cooperation agreement), various minilateral cooperative efforts (including US-Japan-Philippines and US-Japan-Korea), and a resurgent like-minded G7, now that its (failed) experiment of drawing Russia and China into its process has come to an inglorious end. But not all new efforts are succeeding. President Biden hosted his second "Summit of Democracies" which drew little fanfare or attention.

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

2023 brings a renewed focus on the US-Japan partnership as a fulcrum of global and regional diplomacy. With an eye to the <u>G7 Summit in Hiroshima</u> in mid-May, Prime Minister Kishida Fumio began the year with visits to G7 counterparts in Europe and North America. Later in the spring, he toured Africa in an effort to gain understanding from countries of the Global South. The Joe Biden administration looks ahead to a lively economic agenda, as it <u>hosts</u> the APEC Summit in November on the heels of the G20 Summit in New Delhi in September. National Security Advisor Jake Sullivan <u>laid out in detail</u> the economic ambitions of the Biden national strategy on April 27, giving further clarity to how the administration's foreign policy will meet the needs of the American middle class. Regional collaboration continues to expand. Both leaders will gather in Australia on May 24 as Prime Minister Anthony Albanese <u>hosts</u> the third in-person meeting of the leaders of the Quad. Also noteworthy in this first quarter of 2023 is the progress in ties between Japan and South Korea.

US-CHINA RELATIONS

BY SOURABH GUPTA, INSTITUTE FOR CHINA-AMERICA STUDIES

The proposed "guardrail" that Joe Biden and Xi Jinping sought to erect last fall in Bali failed to emerge in the bitter aftermath of a wayward Chinese surveillance balloon that overflew the United States and violated its sovereignty. Though Antony Blinken and Wang Yi met on the sidelines of the Munich Security Conference afterward, aspersions cast by each side against the other, including a series of disparaging Chinese government reports, fed the chill in ties. Taiwan President Tsai Ing-wen's meeting with House Speaker Kevin McCarthy during the return leg of her US transit added to bilateral and cross-strait tensions and were met with Chinese sanctions. Issues pertaining to Taiwan, be it arms sales or a speculated Chinese invasion date of the island, remained contentious. The administration's attempt to restart constructive economic reengagement with China, including via an important speech by US Treasury Secretary Janet Yellen, appears to have fallen on deaf ears in Beijing.

US-KOREA RELATIONS

MASON RICHEY, HANKUK UNIVERSITY OF FOREIGN STUDIES

South Korean president Yoon Suk-yeol has tried to make a priority of transforming the traditional US-South Korea military alliance into a "global, comprehensive strategic alliance" with increasing ambitions beyond hard security issues on the Korean Peninsula and in Northeast Asia in general. Yoon and his foreign policy team get an "A" for vision and effort—joining the NATO Asia-Pacific Four (AP4) and releasing an Indo-Pacific Strategy in 2022 are evidence. But, like Michael Corleone trying to go legit in *The Godfather III*, every time they make progress getting out, they get pulled back into the Peninsula. To wit, during the first trimester of 2023 Korean Peninsula security issues again commanded disproportionate attention from Seoul and Washington. The proximate cause for this dynamic is North Korea's mafioso-in-chief, Kim Jong Un, who started 2023 with a January 1 missile launch and kept at it throughout the winter. This, of course, followed record-breaking 2022 North Korean missile tests and demonstrations, which totaled approximately 70 launches of around 100 projectiles. Given the near-zero prospects for North Korean denuclearization and the growing arsenal at Pyongyang's disposal, it is understandable that any South Korean president would be distracted from interests further afield.

US-INDIA RELATIONS

BY AKHIL RAMESH, PACIFIC FORUM & **MICHAEL RUBIN,** AMERICAN ENTERPRISE INSTITUTE

On May 24, 2022, President Joe Biden met Indian Prime Minister Narendra Modi on the sidelines of the Quad summit in Tokyo. According to the White House readout of the meeting, "The leaders reviewed the progress made in the US-India Comprehensive Global Strategic Partnership. They <u>committed</u> to deepen the Major Defense Partnership, encourage economic engagement that benefits both countries, and expand partnership on global health, pandemic preparedness, and critical and emerging technologies." While such statements are often aspirational and lag in implementation, the first four months of 2023 show the renaissance in US-India ties to be real. Domestic politics in both countries are complex, but neither populists nor opposition parties in either India or the United States oppose or undermine growing partnership. While many summits end with lofty rhetoric and pledge to take relations to the next level, such promises often remain aspirational. Not so with US-India ties. Both countries also continue to lay the groundwork for far broader economic and commercial ties. Critical technologies and new supply chains solidify the strategic partnership. Mutual concern about the China threat encourages further defense cooperation.

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BY CATHARIN DALPINO, GEORGETOWN UNIVERSITY

With an apparent renaissance in the US-Philippine alliance, spurred by rising tensions in the South China Sea and the Taiwan Strait, the Biden administration ramped up diplomatic activity with Manila as the two countries <u>moved</u> toward an official visit from President Ferdinand "Bongbong" Marcos, Jr., in May. At the same time, the 42nd iteration of *Cobra Gold*, which <u>returned</u> to full strength for the first time since the 2014 coup in Bangkok, suggested momentum in the US-Thailand alliance, albeit with a lower profile. While the international environment continued to be roiled by US-China rivalry, the Russian war in Ukraine, and high food and commodity prices, Southeast Asia's own internal turmoil was evident. The junta in Myanmar <u>extended</u> the state of emergency and stepped up aerial bombing of areas held by the opposition and armed ethnic groups. As Indonesia takes up the ASEAN chair, prospects for implementing the Five-Point Consensus Plan are dim, if not dead. <u>Vietnam</u> and <u>Thailand</u> began leadership transitions— Hanoi with an anti-corruption purge and Bangkok with the launch of general elections—while Cambodian Prime Minister Hun Sen continued to <u>eviscerate</u> the opposition ahead of his near-certain reelection in July.

CHINA-SOUTHEAST ASIA RELATIONS

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

Southeast Asia featured prominently in Beijing's increasingly strong international efforts to portray China as a source of strategic stability and economic growth with comprehensive global governance plans supportive of interests of developing countries and opposing the United States. These efforts intensified after the landmark 20th Party Congress in October and the 14th National People's Congress in March. They were reinforced as Xi Jinping emerged from COVID restrictions and preoccupation with domestic matters to engage actively in summitry with leaders of Vietnam, Laos, the Philippines, Cambodia, Malaysia, and Singapore. China's economic importance for regional countries grew as did its dominance over the contested South China Sea. Its show of force against Taiwan in April had little discernible impact on China-Southeast Asia relations, while notable US advances in military cooperation with the Philippines warranted Chinese warnings that escalated during the reporting period.

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

As 2023 began, cross-Strait confrontation was muted. Travel began returning to pre-COVID levels across the Strait and between the mainland and Taiwan's offshore islands. At China's annual National People's Congress, outgoing Premier Li Keqiang and reanointed President Xi Jinping eschewed inflammatory rhetoric about reunification with Taiwan. Taiwan and the US kept Taiwan President Tsai Ing-wen's transit of the US low-key. Tsai met House Speaker Kevin McCarthy in California, deflecting the speaker's expressed interest in visiting Taiwan and avoiding the destabilizing Chinese military exercises around Taiwan that followed Speaker Pelosi's visit last August. Despite this calm, seeds of confrontation proliferated. China cut a communications cable to Taiwan's offshore islands and announced a coast guard drill to inspect commercial shipping in the Taiwan Strait, both interpreted as practice for gray-zone coercion. China persuaded Honduras to sever its longstanding diplomatic ties with Taiwan. Taiwan increased its military budget and expanded training with US forces. Former Taiwan President Ma Ying-jeou visited China and met Chinese officials, endorsing the 1992 Consensus and signaling that the upcoming election campaign for Taiwan's president will again offer two very different visions of Taiwan's future relationship with mainland China.

NORTH KOREA-SOUTH KOREA RELATIONS

BY AIDAN FOSTER-CARTER, LEEDS UNIVERSITY, UK

The first four months of 2023 brought no progress or respite in inter-Korean relations. Pyongyang sent no further drones into Southern airspace as it had in December, but continued to rattle Seoul with tests of advance weaponry and ever more lurid nuclear rhetoric. South Korea hardened its language and stance, with a restored emphasis on human rights in the North—now officially defined as an enemy once more. ROK President Yoon Suk Yeol also found enemies within: leftists who made contact with the DPRK in third countries were no longer ignored but prosecuted. More ominously, so were four top officials who served the previous president, Moon Jae-in, over how they handled two difficult inter-Korean incidents in 2019-20. Elsewhere, Seoul complained in vain about Pyongyang's abuse of its assets in two defunct joint ventures: stealing some, destroying others. Soon after, the North stopped answering the phone. It is hard to see how North-South relations will improve, but all too easy to imagine them getting even worse.

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

China and South Korea began 2023 with the temporary imposition of tit-for-tat restrictions by both governments on travel to the other country after China lifted its zero-COVID policy. Although the restrictions proved temporary, they pointed to the reality of a sustained downward spiral in China–South Korea relations accompanied by increasingly strident public objections in Chinese media to the Yoon Suk Yeol administration's steps to redouble South Korean alignment with the United States regarding Indo-Pacific strategy, supply chain resiliency, and shared values. South Korean Minister of Foreign Affairs Park Jin's congratulatory call to newly appointed Chinese Minister of Foreign Affairs Qin Gang on Jan. 9 was one of the few positive senior-level interaction between the two countries in early 2023; by the end of April, the main diplomatic interactions between China and South Korea had devolved into a dueling exchange of private demarches and public assertions that the other side had committed a "diplomatic gaffe."

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The 17th China–Japan Security Dialogue resumed in late February after a four-year pause but produced no resolution to outstanding problems. In early April, Chinese and Japanese foreign ministers also met for the first time since 2019, with the four-hour meeting similarly unproductive. The Chinese side expressed annoyance with Tokyo for its cooperation with the United States, its support of Taiwan, the release of Fukushima nuclear-contaminated wastewater into the ocean, and Tokyo's recent restrictions on semiconductor equipment exports. The Japanese foreign minister sought, but did not obtain, information on a Japanese national who had been arrested on spying charges, complained about Chinese intrusions into the territorial waters around the disputed Diaoyu/Senkaku Islands, and stressed the importance of stability in the Taiwan Strait. There was no mention of the long-postponed state visit of Xi Jinping to Tokyo as a matter of reciprocity for former Prime Minister Abe Shinzo's visit to Beijing.

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

In March 2023, Japan and South Korea had a long-awaited breakthrough in their bilateral relations, which many viewed as being at the lowest point since the 1965 normalization. On March 16, South Korean President Yoon Suk Yeol and Japanese Prime Minister Kishida Fumio held a summit in Tokyo and agreed to resume "shuttle diplomacy," a crucial mechanism of bilateral cooperation that had been halted for about a decade. Behind the positive developments was President Yoon's political decision on the issue of compensating wartime forced laborers. The two leaders took steps to bring ties back to the level that existed prior to actions in 2018 and 2019, which precipitated the downward spiral in their relationship. Japan decided to lift the export controls it placed on its neighbor following the South Korean Supreme Court ruling on forced labor in 2018. South Korea withdrew its complaint with the World Trade Organization on Japan's export controls. Less than a week after the summit, Seoul officially fully restored the information sharing agreement (GSOMIA) that it had with Tokyo. They also resumed high-level bilateral foreign and security dialogues to discuss ways to navigate the changing international environment together as partners.

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BY YU BIN, WITTENBERG UNIVERSITY

Perhaps more than any other time in their respective histories, the trajectories of China and Russia were separated by choices in national strategy. A year into Russia's "special military operation" in Ukraine, the war bogged down into a stalemate. Meanwhile, China embarked upon a major peace offensive aimed at Europe and beyond. It was precisely during these abnormal times that the two strategic partners deepened and broadened relations as top Chinese leaders traveled to Moscow in the first few months of the year (China's top diplomat Wang Yi, President Xi Jinping, and newly appointed Defense Minister Li Shangfu). Meanwhile, Beijing's peace initiative became both promising and perilous as it reached out to warring sides and elsewhere (Europe and the Middle East). It remains to be seen how this new round of "Western civil war" (Samuel Huntington's depiction of the 1648-1991 period in his provocative "<u>The Clash of Civilizations?</u>" treatise) could be lessened by a non-Western power, particularly after drone attacks on the Kremlin in early May.

JAPAN-SOUTHEAST ASIA

KEI KOGA, NANYANG TECHNOLOGICAL UNIVERSITY

In 2023 marks the 50th Year of ASEAN–Japan Friendship and Cooperation, and there are expectations that their relationship will be upgraded to a "comprehensive strategic partnership." Given the good diplomatic, security, and economic relations between Japan and Southeast Asian states, ties are likely to be strengthened. However, Japan is now taking a more competitive strategy toward China, as indicated in the three security documents issued in December 2022, while Southeast Asian states generally continued the same strategic posture by which they have good relations with all great powers in the Indo–Pacific region. Also, while Japan issued the "New Plan for the Free and Open Indo–Pacific" that emphasizes the "Global South," it remained silent about ASEAN centrality and unity in the Indo–Pacific, and it was unclear what roles Japan expects ASEAN to play. Although both Japan and Southeast Asian states need to adjust their roles in the Indo–Pacific region, it remains to be seen whether the 50th anniversary becomes an opportunity for clarification.

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REGIONAL OVERVIEW

"LIKE-MINDED MINILATERALISM" COMING OF AGE

RALPH A. COSSA, PACIFIC FORUM BRAD GLOSSERMAN, TAMA UNIVERSITY CRS/PACIFIC FORUM

As broad-based multilateral organizations seem to be increasingly unable (or unwilling) to tackle the major security challenges of the day—Russia-Ukraine, China-Taiwan, North Korea, and Myanmar, to list but a few—more focused "minilateral" efforts involving "like-minded" allies and partners are coming to the fore. Foremost among the dysfunctional are the United Nations Security Council (UNSC) and broader UN mechanisms, thanks to Russian and Chinese intransigence. Sadly, ASEAN-led mechanisms like the East Asia Summit and ASEAN Regional Forum, not to mention ASEAN itself, also fall into this category, as does the G20, whose foreign ministers failed to reach any meaningful conclusions at their early March 2023 meeting, their first with India at the helm. Enter the Quadrilateral Security Dialogue (or "Quad," involving Australia, India, Japan, and the United States), AUKUS (Australia-United Kingdom-US technical cooperation agreement), various minilateral cooperative efforts (including US-Japan-Philippines and US-Japan-Korea), and a resurgent like-minded G7, now that its (failed) experiment of drawing Russia and China into its process has come to an inglorious end. But not all new efforts are succeeding. President Biden hosted his second "Summit of Democracies" which drew little fanfare or attention.

This article is extracted from Comparative Connections: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: Ralph A. Cossa and Brad Glosserman, "Regional Overview: 'Like-Minded Minilateralism' Coming of Age," Comparative Connections, Vol. 25, No. 1, pp 1–24.

That spotlight is reserved for the (now) Japanled Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which is about to bring in the United Kingdom while the (like-minded but still never-minded or absentminded) United States sits on the sidelines, even as Taipei and Beijing are knocking on the door.

Rocketman Roars On

While Russia's invasion of Ukraine (including Kyiv's much-anticipated counteroffensive) and China's breathlessly predicted (but by most accounts not imminent) invasion of Taiwan have captured the majority of headlines, Pyongyang continues to up the nuclear ante with record numbers of missile launches and its switch last fall to a "first use" nuclear policy. According to the James Martin Center for Non-Proliferation Studies, the DPRK launched at least 68 ballistic missiles during 2022 (defined as missiles capable of delivering a payload of at least 500 kg/1102.31 pounds a distance of at least 300 km (186.4 miles), a 10-fold increase over the previous year. This year shows no sign of letting up, with several dozen launches already reported during the first three months of 2023. Significantly, over the past year, these have included tests of a submarine-launched platform, several ICBM tests (including an overflight of Japan), a new solid-fueled missile which will significantly reduce detection and warning times when operationally deployed, and (according to Pyongyang) the development of tactical nuclear weapons for battlefield employment. This has resulted in a number of "emergency" UN Security Council sessions where Russia and China have colluded to prevent any stern response and several strongly-worded (but toothless) statements from the UN secretary general <u>condemning</u> the actions and calling for Pyongyang to come into compliance with the various UNSC resolutions banning ballistic missile launches and imposing "binding" sanctions that Moscow and Beijing are seemingly ignoring.

Pyongyang's increased aggressiveness prompted South Korean President Yoon Suk Yeol to <u>opine</u> that "It's possible that the problem gets worse and our country will introduce tactical nuclear weapons or build them on our own," adding that "If that's the case, we can have our own nuclear weapons pretty quickly, given our scientific and technological capabilities." This may not have worried Pyongyang but it certainly got Washington's attention. The end result, as

covered in more detail in the US-Korea chapter was the Washington Declaration signed during Yoon's state visit to Washington in late April, giving Seoul an unprecedented say in the employment of US nuclear weapons on the Peninsula. That got Pyongyang's attention: Kim Jong-un's sister and number one Americabasher Kim Yo Jong, responding to President Biden's threat that use of nuclear weapons by Pyongyang would result in the "end of the regime," proclaimed "It may be taken as a nonsensical remark from the person in his dotage who is not at all capable of taking responsibility for security and the future of the US, an old man with no future, as it is too much for him to serve out the two-year remainder of his office term."



Figure 1 Unverified photo showing the launch of Hwasong-15 intercontinental ballistic missile by North Korea. Photo: Korean Central News Agency/Korea News Service/AP

Ukraine "Lessons Learned," One Year On NSS: Strategic Competition Underway

It is always difficult, if not foolhardy, to try to draw lessons learned while a conflict is in progress but a few observations seem pretty safe to make when it comes to the war in Ukraine, starting with the biggest one: would-be aggressors should not underestimate а country's willingness to defend itself when its very survival is at stake. It's not clear if Putin's generals told him it would be a cakewalk and he believed them, or if they did not have the courage to tell him the real odds of success once he decided to proceed, but after a year of fighting, no one can doubt the courage and perseverance of Ukraine's military or its political leadership. If Putin counted on the rest of the world quietly accepting his fait accompli and giving in to his threats, he has (at least thus far) been proven wrong. While NATO did not put boots on the ground, it continues to make an increasingly serious effort to keep the Ukrainian military armed and ready despite Putin's nuclear saber-rattling.



Figure 2 China President Xi Jinping shakes hands with Russia President Vladimir Putin in March 2023. Photo: Xinhua/Getty Images

At a Pacific Forum conference focused on US-Taiwan Deterrence and Defense last summer, experts and officials from both partners agreed that Ukraine had been a "wake-up call" and that Taiwan and the United States, among others, were responding. Notably, this has included an increased emphasis on developing territorial or homeland defense capabilities aimed at raising the risks and lowering the prospects for success should Beijing elect to follow Putin's ill-advised example and attempt to use force to solve its "territorial issue." The Ukrainian wake-up call, when combined with increased Chinese aggressiveness and assertiveness vis-à-vis Taiwan (especially in the wake of last year's visit to Taipei by then-Speaker of the US House of Representatives Nancy Pelosi), is causing not only Washington but many like-minded states around the globe to speak out in defense of Taiwan democracy. As documented in this issue's (and many previous) China-Taiwan chapter. Beijing's heavy-handed actions continue unabated, with the unintended (by Beijing) consequence of even greater sympathy and support for Taipei.

This may have prompted Chinese President Xi Jinping, after more than a year of stonewalling, to <u>call</u> his Ukrainian counterpart Volodymyr Zelenskyy in late April in an effort to promote his earlier-announced (but still extremely vague) <u>peace plan</u>, even as he continues to tout his partnership "without limits" with Putin. Xi's long-overdue overture not coincidentally came in the wake of an <u>own goal moment</u> after China's Ambassador to Paris Lu Shaye said in a TV interview that former Soviet states like

Ukraine don't have "effective status in international law," causing an uproar in Europe (and elsewhere) by seemingly endorsing Putin's claim that Ukraine was not a legitimate country—and extending that doubt to other states liberated at the end of the Cold War, the Baltics in particular. Skeptics (ourselves included) viewed the phone call at least in part as damage control, even though Zelenskyy himself graciously described it as an "opportunity to use China's political influence to restore the strength of the principles and rules on which peace should be based." Others (ourselves again included) have more difficulty envisioning Xi Jinping as defender of the rulesbased order. That said, as the new reporting period began, there were press reports that Washington would consider working with Beijing to seek a ceasefire, provided Ukraine makes significant gains in its still anticipated spring offensive.

"With Democracy, Everything is Possible"

President Biden, on the other hand, clearly sees himself, and the United States, as a defender of democracy, a role he frequently cited during this year's <u>State of the Union address</u>: "Putin's invasion has been a test for the ages. A test for America. A test for the world. Would we stand for the most basic of principles? Would we stand for sovereignty? Would we stand for the right of people to live free from tyranny? Would we stand for the defense of democracy?" Not surprisingly, his answer to all these questions was a resounding "yes."

While Biden deserves a large share of the credit for keeping intact the coalition of like-minded states helping Ukraine defend itself—pride of place goes to Zelenskyy himself—not <u>everyone</u> is prepared to sign up for Washington's defense of democracy against autocratic regimes like those in China and Russia, especially among residents of the developing world.

The major multilateral event of this trimester, President Biden's second <u>Summit for</u> <u>Democracy</u>, was in many ways a non-event despite drawing (virtually) an all-star cast—we counted almost four dozen heads of state or government presentations. The US State Department's <u>self-promotional</u> testimonials notwithstanding, the March 29-30 event drew scant coverage, with what little there was focused not on content but on who <u>was or</u> <u>wasn't invited</u>—Pakistan was (but didn't show, reportedly in deference to Beijing) while Turkey and Singapore (among others) were not. Unlike the first edition, in December 2021, this time the United States was joined by four other co-hosts: Costa Rica, Netherlands, Republic of Korea, and Zambia. The event's Final Declaration affirmed "our shared belief that democracygovernment reflecting the effective participation and will of the people—is humanity's most enduring means to advance prosperity, peace, equality, sustainable development, and security." The third summit is to be hosted by the Republic of Korea (if and when it occurs; stand by for that one).

The G7 Takes Pride of Place

A driver of regional diplomacy this reporting period was the G7 process, which Japan chairs this year. In anticipation of the leaders summit, to be held in May in Hiroshima, Japanese officials fanned out across the globe to build support for their vision and agenda. In January, Japanese Prime Minister Kishida Fumio visited Italy, France, the UK, Canada, and the US (five of the six other group members) during a whirlwind tour. (In fact, he had three purposes—selling the G7 program, explaining three national security documents published the previous month; and boosting his domestic approval ratings by playing world diplomat.)



Figure 1 Unverified photo showing the launch of Hwasong-15 intercontinental ballistic missile by North Korea. Photo: Korean Central News Agency/Korea News Service/AP

An important theme—if not the most important—was that security is indivisible and what happens in one part of the world will affect another. Kishida delivered this message at every stop, driving home the conclusion that likeminded nations must work together to keep the peace and protect the rules-based order. A pillar of that argument is ensuring that nuclear weapons are not used in conflict, a concern that resonates for Kishida, who comes from Hiroshima. <u>According</u> to Japan's ambassador to the US, Tomita Koji, the group will insist that "77 years of human efforts not to resort to nuclear weapons must not be wasted." The obvious forum for that message is the G7, but more countries are needed to backstop the existing international order. To that end, Kishida has emphasized outreach to developing nations to win their support as well.

Over the May Golden Week holiday, Kishida took a week-long tour of Africa to deliver that message and raise Japan's profile in a region that Tokyo has neglected for some time. That is a bit of a surprise as Japan launched three decades ago a development dialogue with African nations—the Tokyo International Conference on African Development (TICAD)and designed the Indo-Pacific concept with the continent in mind. Inclusion of the Indian Ocean is intended to take Japanese engagement to Africa, the westernmost end of that maritime He visited four nations—Egypt, space. Mozambique, Ghana, and Kenya-during the trip, the first time in nine years that a Japanese prime minister went to the continent. In addition to his call for support of the international order, Kishida sought to balance Chinese inroads into the region—\$155 billion in infrastructure investments over the past two decades; credit the Belt and Road Initiativeand to get a closer look at one of the world's few remaining relatively untapped markets, a domestic priority as Japanese companies grow increasingly concerned about doing business in China. He got a positive reception from his African hosts.

Meat on the Bones of AUKUS

The outlines of the Australia–UK–US (AUKUS) security partnership became clearer in March when the leaders of the three countries <u>unveiled</u> plans to develop a new fleet of nuclear–powered attack submarines. AUKUS was announced in 2021 as an "enhanced trilateral security partnership" with details to be filled in. Most attention has focused on the subs but it is a wide–ranging technology partnership, and experts believe that other parts—pillar two, which deals with other advanced technologies—may be more significant.

The March announcement revealed that the submarine plan is a multistage project. In stage one, US submarines will make regular port calls

in Australia while Australian officers are trained on the operation of nuclear-powered boats. In stage two, around 2027, up to five US and British subs will be forward deployed to Western Australia. In stage three, in the early 2030s, Australia will buy three Virginia-class submarines and have the option to buy two more. Meanwhile, all three countries will develop a new submarine class that will be based on a British design and use US technology. One sub will be built every two years from the late 2030s to the late 2050s, and eight will be constructed in Australia. The UK will take delivery of the first AUKUS submarine in the late 2030s, and Australia will get its first in the early 2040s.

There are doubts about the feasibility of the program. In addition to the cost—A\$368 billion (\$245 billion) over the next three decades, making it "the biggest single investment in Australia's defense capability in all of our history," according to Prime Minister Anthony Albanese—Australia must build infrastructure for submarine and maintenance construction pretty much from scratch, upgrade existing facilities, and train not only crews and engineers, but workers to build the boats as well. And this occurs when the country's budget is already under pressure.

Meanwhile, US restrictions on the export of high-end technologies haven't been eased even for allies—although there is pressure for a change. US shipyards are already under strain, with a backlog on current production; two US senators <u>warned</u> last year that AUKUS could stretch the US submarine industrial base "to breaking point."

China is piling on. Beijing is convinced that AUKUS targets China. A Chinese foreign ministry spokesperson warned that it is "an outdated Cold War zero-sum mentality," adding that "it will only exacerbate arms race...and hurt regional peace and stability." China also complains that it "poses a serious nuclear proliferation risk and violates the purpose and object of the nuclear nonproliferation treaty." But nuclear-powered is not the same as nuclear armed. To counter that charge, the three AUKUS partners-Albanese, Biden and British Prime Minister Rishi Sunak-remain "committed to set the highest nuclear nonproliferation standard." They also promised to continue to consult with the International Atomic Energy Agency "to develop a nonproliferation approach that sets the strongest precedent for the acquisition of a nuclear-powered submarine capability." Biden was adamant: "The SSN-AUKUS will not have nuclear weapons."

Significantly, AUKUS will tie the UK and the U.S. more deeply to the Indo-Pacific. Echoing Biden and Albanese, British Prime Minister Rishi Sunak called the deal "The most significant multilateral defense partnership in generations." That is true but much still depends on delivery—and what may yet unfold in the increasingly tense region, even as old trilateral relationships are being strengthened and new ones are being formed.

More Trilaterals

For example, in this reporting period Japan, the Philippines, and the United States announced plans to establish a trilateral dialogue framework, which has prompted speculation (dreams?) of an alliance among them. The three countries have participated together in military exercises, but higher-level coordination and cooperation has been elusive. Pacific Forum held a US-Japan-Philippine track 2 dialogue late last year, and other think tanks have convened similar discussions. In March, there was talk of a trilateral meeting of national security advisers, reportedly suggested by Japan. Mooted for April, it has not yet occurred. This has prompted talk of still deeper coordination: Writing in the Japan commentator Richard Heydarian Times, suggested that the decision by Philippine President Marcos to give the US expanded access to bases in the country "paved the way for the emergence of a new Japan-Philippine-US (JAPHUS) alliance." He pointed to AUKUS and a revived US-Japan-South Korea trilateral (to be discussed below) as a frame for the relationship, noting that Manila is negotiating an Acquisition and Cross Servicing Agreements and a Visiting Forces Agreement deal with Japan to facilitate military interoperability, arms transfers and perhaps deployment of Japanese troops to Philippine bases. This isn't hopeless optimism: at their May summit, President Biden and Philippine President Marcos agreed to push trilateral cooperation with Japan and with Australia.

Ambitions for those groups seem more realizable given revitalization of the US-Japan-ROK trilateral in the first months of 2023. There has been progress throughout the reporting period, with deputy foreign ministers <u>meeting</u> in Washington DC in February, which was followed days later by a foreign ministers meeting. The most important boost to that process came from South Korean President Yoon, who has been determined to restore the Japan-ROK relationship, a tale told in that chapter of Comparative Connections. His decision to create a foundation to address the forced labor issue and his subsequent visit to Japan in March-the first visit to Japan by a South Korean president since Yoon's predecessor, Moon Jae-in, went to Osaka for a G20 summit in 2019 and the first bilateral visit since 2011made Prime Minister Kishida an offer he couldn't refuse. Kishida reciprocated with his own trip to South Korea in early May, the first visit to Seoul by a Japanese leader in 12 years.

The US applauded the process, with a State Department spokesperson <u>praising</u> "an important new chapter and a new beginning for our alliance partners." Many observers in fact credit the US for driving the progress. There is no doubt that Washington pushed the two governments together, but the decisions were theirs alone to make—which they did, with help from an increasing sense of threat from both North Korea and China.

Sandwiched between the two leader visits in April were Defense Trilateral Talks. The 13th round of those discussions was productive. In addition to the usual sharing of threat assessments and US declarations of its "ironclad commitment" to defend both allies, the three governments "affirmed ongoing work to fully leverage the existing information frameworks including the Trilateral Information Sharing Arrangement (TISA) to improve coordination and cooperation among the three countries" this in reference to North Korean missile testsand discussed "the regularization of missile defense exercises and anti-submarine exercises to deter and respond to DPRK's nuclear and missile threats, and discussed ways to resume trilateral exercises, including maritime interdiction and anti-piracy exercises." Reportedly, after Kishida's visit to Seoul, the three governments agreed to link Japan and South Korean radar systems via the United States to better share information on North Korean missile launches. Formal announcement is anticipated at a trilateral meeting of defense ministers on the sidelines of the Shangri-la Dialogue that will convene in Singapore in early Iune.

Economic Engagement Moves Forward

While hard security concerns galvanized regional governments, they also had time for economic matters. On March 31, the 11 members of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), the pacesetter for regional economic engagement, agreed on the UK's entry to the group, making it the first nonfounding member of the group.

London applied for membership in 2021, and it has been working with the other members— Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam—to agree on terms. A final deal is <u>expected</u> to be signed at a ministerial meeting in July.

Adding the UK will increase the CPTPP's share of global GDP from 12% to 15%. Experts note that joining will provide a minimal economic boost to the UK as it already has free trade agreements with many of the members. But the move is in keeping with declarations by British leaders that it wishes to be an Indo-Pacific as well as a global presence. British Investment Minister Dominic Johnson <u>said</u> that the Indo-Pacific is "an important geostrategic focus for the United Kingdom," adding that CPTPP membership "is a cornerstone component of our strategy, which was why it's so important."

With Britain joining, the group will now turn to assess the prospects of the other countries that have applied: China, Costa Rica, Ecuador, Taiwan, and Uruguay. The discussions about China and Taiwan will be tricky. There is considerable resistance to Chinese membership, with concern that Beijing will accept or implement reforms demanded to join. Japan's Chief Cabinet Secretary Matsuno Hirokazu explained his government thinking like this: "Japan believes that it is necessary to carefully assess whether the economies that have requested to join the CPTPP are fully prepared to meet these high standards, and we will respond to this request from a strategic perspective and with the understanding of the public." Adding the Brits will add another skeptic, as London is still fuming over Beijing describing its UN-Sino-British Joint Declaration registered governing Hong Kong reversion as an "historical document" that "no longer has any practical relevance." While those same skeptical governments are more eager to have Taiwan in

the group, accepting it without China traditionally has been almost impossible to contemplate.



Figure 4 China President Xi Jinping delivers keynote address at the opening ceremony of the Communist Party of China (CPC) in Dialogue with World Political Parties High-Level Meeting vin Beijing, China on March 15, 2023. Photo: Xinhua.

There is no such conflict when it comes to the United States. Japan, and other regional governments, continue to hope that Washington will reassess and rejoin the initiative. As Matsuno said, "We will continue to persistently call on the US to return to the [CPTPP]."

Don't hold your breath. The US continues to rule out trade deals that include increased access to its market, preferring instead to develop its Indo-Pacific Economic Framework for Prosperity (IPEF). This reporting period, three negotiating rounds were held: a special negotiating round covering Pillars II-IV (supply chains, clean economy, and fair economy) at which some 300 officials from 14 countries attended in February in New Delhi; a second, full negotiating round that covered all pillars in March in Bali; and a third full round in Singapore in May. By all accounts progress is being made, but the argument that there can be meaningful economic engagement without market access sounds like wishful thinking to us. This gap in its Indo-Pacific strategy will continue to haunt the US.

Xi Jinping Plays the Diversity Card

One more new multilateral initiative deserves mention in this report: China's Global Civilization Initiative (GCI), unveiled in March by Chinese supreme leader Xi Jinping in his keynote address to the opening ceremony of the Chinese Communist Party in Dialogue with World Political Parties High-Level Meeting. The <u>essence of the GCI</u> is respect for "tolerance,

coexistence, exchanges and mutual learning among different civilizations," which "play an irreplaceable role in advancing humanity's modernization process and making the garden of world civilization flourish ... " It is a call to accept different political systems and reject the imposition of a single political order on all countries or the equation of modernization with or Westernization. liberal democracy *Commentary* has highlighted "a unique Chinese road to modernization featured by efficiency, social equality and justice, which allows different sectors to develop in parallel—to enable industrialization, informatization, urbanization, and agricultural modernization to go in tandem, creating a new form of human civilization."

To Western ears, this is a self-serving theoretical framework to oppose the West-led delegitimize nondemocratic effort to governance and undermine the CCP. That sells it short. Just as the West presumes the superiority of its position in the Ukraine war, and finds considerable disagreement, there is also receptivity to Xi's call for diversity and tolerance. Much of "the rest" questions the efficacy and desirability of the Western political system-see the ongoing potentially selfdestructing brinkmanship over raising the US debt ceiling if you need an example why. There is a competition to articulate the most compelling narrative in global politics. The West assumes at its peril that its story and its answers are best. It must do more if it is to prevail. The events of this reporting period suggest that lesson is sinking in.

REGIONAL CHRONOLOGY

JANUARY—APRIL 2023

Jan. 1, 2023: North Korean leader Kim Jong Un and his daughter <u>inspect</u> dozens of intermediate-range and short-range ballistic missiles, emphasizing Kim's declaration to "exponentially increase" missile production in the new year. North Korea also <u>tests</u> a nuclearcapable "super-large multiple launch rocket system," which Kim states can strike anywhere in South Korea.

Jan. 1, 2023: Chinese President <u>Xi Jinping says</u> during his televised New Year speech that he sincerely hopes that "our compatriots on both sides of the Strait will work together with a unity of purpose to jointly foster the lasting prosperity of the Chinese nation."

Jan. 3-6, 2023: Chinese President Xi Jinping meets visiting Philippine President Ferdinand Marcos, Jr. in Beijing. They <u>sign</u> 14 agreements stepping up bilateral cooperation in areas such as trade and investment, agriculture, renewable energy, infrastructure development, and maritime security cooperation. They also agree to set up direct communication channels to manage maritime disputes in the South China Sea.

Jan. 4, 2023: China's National Development and Reform Commission <u>holds</u> talks on proposals to allow four major importers—China Baowu Steel Group, China Datang, China Huaneng Group, and China Energy Investment—to make new purchases from Australia in 2023 after a more than two-year ban as relations between the nations improve.

Jan. 5, 2023: US 7th Fleet Destroyer USS Chung-Hoon <u>transits</u> the Taiwan Strait.

Jan. 6, 2023: Chinese Embassy in South Korea <u>releases</u> a statement protesting the visit of several South Korean lawmakers to Taiwan.

Jan. 7, 2023: Rep. Kevin McCarthy (R-California) <u>is elected</u> speaker of the House of Representatives on the 15th ballot, the longest such process for a House speaker in a century and a half. Rumors circulate that concessions made to Republican hardliners include demands for spending cuts in return for lifting the US' debt ceiling.

Jan. 10, 2023: US House of Representatives <u>votes</u> to establish China Select Committee, which will focus on the Chinese Communist Party's economic, technological and security progress and the strategic competition between Beijing and Washington.

Jan. 11, 2023: In the South Korean foreign ministry's report to President Yoon Suk Yeol on major policy tasks for 2023, First Vice Foreign Minister Cho Hyun-dong <u>says</u> Korea will continue to mend ties with Japan through "reasonable solutions" to pending issues, and also hope to resume shuttle diplomacy.

Jan. 12, 2023: China <u>inducts</u> the "Zhu Hai Yun," the world's first seaborne drone carrier with autonomous navigation and remote-control functions. It has been constructed under the supervision of the Southern Marine Science and Engineering Guangdong Laboratory and has been awarded the first intelligent ship certificate by the China Classification Society.

Jan. 13, 2023: Prime Minister of Japan Kishida Fumio <u>meets</u> with President Biden at the US-Japan Summit 2023. The two leaders exchange views on regional issues, establish consensus on the need to uphold the status quo in the Indo-Pacific, and concur on continuing to work closely in addressing issues related to China.

Jan. 14, 2023: South Korea's advanced Army unit stages a joint field exercise with a US *Stryker* Brigade Combat Team near the inter-Korean border.

Jan. 15, 2023: Indonesia <u>deploys</u> a warship to its North Natuna Sea to monitor a Chinese Coast Guard vessel that had been active in the resource-rich area in Indonesia's exclusive economic zone.

Jan. 17, 2023: Vietnamese State President Nguyen Xuan Phuc <u>resigns</u> ahead of the near certainty that he would be pushed out in Vietnamese Communist Party Secretary-General Nguyen Phu Trong's "Burning Furnace" anti-corruption campaign.

Jan. 19, 2023: US <u>hits</u> its debt ceiling and begins resorting to "extraordinary measures" to avoid default.

Jan. 23, 2023: US President Joe Biden <u>appoints</u> long-time State Department official Julie Turner as North Korea human rights envoy, a position unfilled since 2017.

Jan. 24, 2023: Chris Hipkins is <u>confirmed</u> as New Zealand's next prime minister, with Carmel Sepuloni, as his deputy, marking the first time a person with Pacific Island heritage has risen to that rank. Hipkins succeeds Jacinda Ardern, New Zealand's first female prime minister, who announced her resignation on Jan. 19.

Jan. 24, 2023: Philippine President Ferdinand Marcos Jr. <u>seeks</u> foreign ministerial-level talks with China to resolve any new conflicts in the South China Sea by proposing that their top diplomats lead the Bilateral Consultation Mechanism (established in 2017), to allow a more rapid response to future conflicts in the disputed sea.

Jan. 26, 2023: Central bank estimates <u>show</u> that South Korea's economy shrank in the 4th quarter of 2022 for the first time in two and a half years.

Jan. 26, 2023: Human Rights Watch researchers <u>report</u> that several demonstrators, apprehended for publicly protesting China's then-ongoing zero-COVID policy in 2021, continue to remain in detention.

Jan. 26, 2023: President Biden <u>extends</u> a program that allows for Hong Kong residents to remain in the US, citing the erosion of human rights and freedoms.

Jan. 26, 2023: A report by the United Nations Office on Drugs and Crime <u>suggests</u> a 33% jump in opium cultivation in military-ruled Myanmar. This growth is directly connected to the political and economic turmoil since the 2021 coup and has reversed a six-year downward trend in the strife-torn country.

Jan. 27, 2023: Myanmar's ruling junta announces tough requirements for parties to contest elections in 2023, including a huge increase in their membership. This move is

expected to sideline the military's opponents and cement its grip on politics.

Jan. 27, 2023: Thailand's ruling pro-military Palang Pracharat Party <u>picks</u> political veteran and former army chief Prawit Wongsuwon as its prime ministerial candidate. Prawit, who serves as the current deputy prime minister, is expected to face-off with the incumbent Prime Minister Prayuth Chan-ocha.

Jan. 27, 2023: United States Marine Corps <u>opens</u> a new base on Guam to counter China's presence in the Western Pacific.

Jan. 27, 2023: A security assessment by the Indian Police in the Himalayan region of Ladakh reports there could be more clashes between Indian and Chinese troops along their contested frontier there as Beijing ramps up military infrastructure in the region.

Jan. 27, 2023: International Criminal Court will <u>reopen</u> its investigation into possible "crimes against humanity" committed in the Philippines during former President Rodrigo Duterte's drug war, which led to the deaths of over a thousand civilians.

Jan. 27, 2023: Japan <u>tightens</u> sanctions against Russia following its latest wave of missile attacks in Ukraine, adding goods to an export ban list and freezing the assets of Russian officials and entities.

Jan. 27, 2023: US Trade Representative <u>appeals</u> two WTO dispute panel rulings brought by China on Section 232 tariffs and on "made in China" designations for Hong Kong to a defunct WTO Appellate Body.

Jan. 28, 2023: Japanese newspaper *Sankei Shimbun* <u>reports</u> that Japan is considering lifting export controls to South Korea as they continue to work on a resolution to the wartime forced labor issue.

Jan. 29, 2023: NATO Secretary General Jens Stoltenberg <u>arrives</u> in Seoul in a move to intensify ties with Asia. The trip, intended to reach out to US allies like South Korea and Japan is band-wagoning with like-minded partners in the face of the war in Ukraine and rising competition with China.

Jan. 29, 2023: Russia rules out <u>talks</u> with Japan on renewing a pact that allows Japanese

fishermen to operate near disputed islands off the northern Japanese island of Hokkaido, known in Russia as the Kurils and in Japan as the Northern Territories. They have been at the core of decades of tension between the neighbors.

Jan. 29, 2023: Australia's defense and foreign ministers <u>aim</u> to deepen security ties with France and Britain, as noted in their visits to Europe this week, flagging the Indo-Pacific as a key area of focus.

Jan. 30, 2023: Kiribati <u>announces</u> that it will rejoin the Pacific Islands Forum, ending a split that had threatened unity at a time of increased superpower tensions in the strategically located region.

Jan. 30, 2023: France and Australia <u>unveil</u> plans to jointly manufacture ammunition for Ukraine to shore up defense cooperation and move past a row over Canberra's decision to ditch plans to buy French submarines two years ago.

Jan. 30, 2023: South Korea's Coast Guard <u>arrests</u> an unnamed oil dealer. He is accused of supplying 19,000 tons of diesel fuel, worth 18 billion won (\$14.65 million), to North Korea in 35 ship-to-ship transfers during October 2021-January 2022, using a Chinese firm as intermediary for transport and payment.

Jan. 30, 2023: China's coast guard <u>drives</u> away Japanese vessels from disputed waters in the East China Sea.

Jan. 31, 2023: US and allies <u>mark</u> anniversary of Myanmar coup with more curbs on energy officials and junta members, among others.

Jan. 31, 2023: To hold onto power under the current constitution, the State Administrative Council in Myanmar <u>extends</u> the State of Emergency imposed during the coup on Feb. 1, 2021 for another six months.

Jan. 31, 2023: US Customs and Border Protection begins to <u>issue</u> detention notices against aluminum shipments originating in the Xinjiang Uyghur Autonomous Region over concerns of forced labor.

Jan. 31, 2023: NATO and Japan <u>pledge</u> to strengthen ties in face of Russia's invasion of Ukraine and growing military cooperation with China. NATO chief Jens Stoltenberg and Prime

Minister Kishida note that these developments have created the most tense security environment since World War II.

Jan. 31, 2023: Taiwan President Tsai Ing-wen holds a telephone call with Czech President-elect Petr Pavel in a diplomatic coup for Taipei.

Jan. 31, 2023: Defense chiefs of the United States and South Korea <u>vow</u> to expand military drills and boost nuclear deterrence planning to counter North Korea's weapons development and prevent the possibility of a war.

Jan. 31, 2023: Myanmar's military, which has been <u>is invited</u> to take part in a regional military meeting co-chaired by the United States and Thailand.

Jan. 31–Feb. 4, 2023: A Chinese surveillance balloon <u>floats</u> across the continental United States after first being spotted over Alaska on Jan. 28.

Feb. 1, 2023: US <u>launches</u> a partnership with India to compete against China on military equipment, semiconductors, and artificial intelligence.

Feb. 1, 2023: NATO Secretary–General Jens Stoltenberg <u>stresses</u> the importance of NATO working closely with partners in the Indo–Pacific. He notes that Europe cannot not ignore what happens in East Asia, as global security is interconnected.

Feb. 2, 2023: Philippines <u>grants</u> the US greater access to bases amid mounting concern over China's increasing assertiveness in the disputed South China Sea and tension over self-ruled Taiwan. The United States would be given access to four more locations under the 2014 Enhanced Defense Cooperation Agreement (EDCA).

Feb. 2, 2023: South Korea and the US <u>stage</u> combined air drills over the Yellow Sea.

Feb. 2, 2023: Chinese Foreign Minister Qin Gang and his Japanese counterpart Yoshimasa Hayashi <u>discuss</u> concerns over disputed East China Sea islands. The disputed East China Sea islets claimed by both China and Japan have long been a sticking point in bilateral relations. China calls the islands Diaoyu, while Japan calls them Senkaku. **Feb. 2, 2023:** US <u>reopens</u> its embassy in the Solomon Islands with Secretary Blinken hailing it as an important signal of Washington's commitment to democracy in the Pacific region.

Feb. 3, 2023: South Korea Foreign Minister Park Jin <u>reaffirms</u> commitment to strengthening "extended deterrence" in relation to North Korea in a meeting with US top diplomat Antony Blinken amid concerns over Pyongyang's increasing missile and nuclear capabilities.

Feb. 3, 2023: China <u>objects</u> to further cooperation between Britain, the US, and Australia on nuclear submarines in a statement made by the foreign ministry during a formal briefing.

Feb. 3, 2023: Micronesia will <u>sign</u> an extension of its economic and security pact with the United States; a deal seen as important in Washington's efforts to counter Chinese influence in the Pacific.

Feb. 3, 2023: World Bank <u>allows</u> two separate proceedings to resolve a long-running disagreement over water between India and Pakistan to run in parallel, fearing the stalemate endangered the historic Indus Water Treaty.

Feb. 3, 2023: United States and South Korea conduct joint air exercises for the second time in a week with some of their latest warplanes, despite North Korean complaints that the exercises increase tensions on the peninsula.

Feb. 4, 2023: ASEAN chair Indonesia <u>says</u> it will intensify talks on code for South China Sea, amid escalating tensions in the strategic waterway.

Feb. 4, 2023: A US military fighter jet <u>shoots</u> down a suspected Chinese spy balloon off the coast of South Carolina, a week after it first entered US airspace.

Feb. 6, 2023: Philippine Coast Guard <u>steps</u> up its presence in the disputed South China Sea by deploying additional vessels and conducting more sorties and over-flights to protect maritime territory and the country's fishermen.

Feb. 6, 2023: China <u>protests</u> the downing of the balloon with the US Embassy in Beijing.

Feb. 6, 2023: South Korea and Australia's central banks <u>renew</u> a currency swap agreement valued at 9.6 trillion won or A\$12 billion, for five years

until early 2028. The agreement, first signed in 2014, allows either party to exchange funds in their own currency for the other currency under pre-set terms.

Feb. 7, 2023: Australia and New Zealand <u>talk</u> up their relationships with China at a joint prime ministerial news conference in the latest sign of strengthening ties with their biggest trading partner.

Feb. 7, 2023: Canada and Taiwan <u>agree</u> to commence formal talks to start formal negotiations for a deal to encourage two-way foreign investments and deepen their Indo-Pacific partnership.

Feb. 8, 2023: United States, Britain, and Australia <u>carry</u> out joint air drills over the Nevada desert and beyond, as part of an effort to simulate high-end combat operations against Chinese fighter aircraft and air defenses.

Feb. 8, 2023: North Korea <u>holds</u> massive military parade to mark the 75th founding anniversary of its armed forces and to display its nuclear attack capability. The parade <u>displayed</u> almost a dozen advanced ICBMs, tactical missiles, and longrange cruise missiles and featured tactical nuclear units.

Feb. 8, 2023: Pakistan's Navy will host 50 countries for regular maritime exercises that are held every two years involving ships, aircraft and special operation forces from Feb. 10–14. Participating countries <u>include</u> the US, China, and Turkey.

Feb. 8, 2023: Opposition <u>gains</u> majority in key Solomon Islands province after anti-China leader ousted. Daniel Suidani, a vocal critic of the country's relationship with China, vocally opposed the Solomon Island switching recognition from Taiwan to China in 2019.

Feb. 8, 2023: Philippine President Marcos <u>visits</u> Japan seeking closer security ties, as Manila increasingly sides with the United States in its regional tussle with China.

Feb. 9, 2023: Australian government <u>will</u> examine surveillance technology used in offices of its defense department amid reports citing security risks from Chinese-made cameras installed there posed a security risk.

Feb. 9, 2023: Japan and the Philippines <u>pledge</u> closer security ties amid China tensions by penning a deal, allowing their armed forces to work together during disaster relief operations. The two sides also agree to establish a framework that would "strengthen and smooth the process of holding joint exercises."

Feb. 9, 2023: Malaysia Prime Minister Anwar Ibrahim <u>vows</u> to facilitate peace talks to a longsimmering insurgency in restive southern Thailand during an official visit to the country.

Feb. 9, 2023: First Australian coal cargoes <u>arrive</u> in China, after the easing of an unofficial ban on imports introduced by Beijing more than two years ago.

Feb. 9, 2023: North Korea<u>showcases</u> its missile production muscle during a night-time parade, displaying more intercontinental ballistic missiles (ICBMs) and hinting at a new solid-fuel weapon; despite United Nations Security Council resolutions and sanctions.

Feb. 10, 2023: Top Communist Party official Wang Huning <u>meets</u> with Taiwan's senior opposition leader Andrew Hsia to discuss the need for maintaining the "peace and stability of cross-strait relations."

Feb. 10, 2023: Department of Commerce <u>adds</u> six Chinese companies to the Entity List over their involvement in Beijing's balloon surveillance program.

Feb. 10, 2023: US <u>signs</u> a memorandum of understanding with the Federated States of Micronesia.

Feb. 11, 2023: United States and Papua New Guinea <u>make</u> substantial progress on the text of a defense cooperation agreement that lays the groundwork for closer military ties between the two nations. The agreement is expected to improve the capacity of Papua New Guinea's Defense Force and increase stability and security in the region.

Feb. 13, 2023: Officials from China, India, Saudi Arabia, and G7 nations <u>will</u> participate in a first virtual meeting of a new sovereign debt roundtable.

Feb. 13, 2023: US State Department Counselor Derek Chollet <u>will</u> lead a delegation to Pakistan and Bangladesh, as Washington and Islamabad

seek to repair ties strained under former Prime Minister Imran Khan.

Feb. 14, 2023: Philippines President Ferdinand Marcos Jr <u>summons</u> China's ambassador to express his "serious concern" over China's actions in the South China Sea, where a Chinese coast guard ship directed a "<u>military-grade</u> <u>laser</u>" at one of its ships supporting a resupply mission to troops in the disputed waterway, temporarily blinding its crew on the bridge.

Feb. 14, 2023: Prime Minister Modi and President Biden <u>meet</u> to review ongoing and new initiatives to deepen the India–US Comprehensive and Global Partnership and welcome the Air India–Boeing agreement.

Feb. 15, 2023: Manila's Army Chief Lt. Gen. Romeo Brawner <u>announces</u> that the Philippines and the United States will carry out their biggest joint military drills in 2023, against a backdrop of growing tensions with China in the South China Sea.

Feb. 15, 2023: Japan <u>condemns</u> China's violations of its airspace by uncrewed surveillance balloons and "strongly suspects" that Chinese surveillance balloons entered Japanese territory at least three times since 2019.

Feb. 15, 2023: China Semiconductor Industry Association (CSIA), the country's top chip industry trade group, <u>opposes</u> reported export controls from the United States, Japan and the Netherlands.

Feb. 16, 2023: South Korea <u>releases</u> its latest defense white paper describing North Korea as its "enemy" for the first time in six years and reporting an increase in Pyongyang's stockpile of weapons-grade plutonium up to 70 kg.

Feb. 16, 2023: US, South Korea, Japan, and Taiwan <u>hold</u> first meeting of the "Chip4" or "Fab 4" initiative to build a resilient semiconductor supply chain, involving senior government officials.

Feb. 16, 2023: China's President Xi Jinping and his Iranian counterpart, Ebrahim Raisi, <u>call</u> for the lifting of sanctions on Iran as an integral part of a stalled international agreement on its nuclear program.

Feb. 16, 2023: Over 60 countries including the US and China <u>sign</u> a modest "call to action" endorsing the responsible use of artificial intelligence (AI) in the military at the first international summit on military AI, co-hosted by the Netherlands and South Korea this week at The Hague.

Feb. 16, 2023: Korea Institute of Ocean Science and Technology <u>releases</u> a study suggesting the negligible impact of the release of waste water from Japan's wrecked Fukushima nuclear power into South Korean water bodies.

Feb. 16, 2023: China <u>puts</u> Lockheed Martin and a unit of Raytheon Technologies on an "unreliable entities list" over arms sales to Taiwan, banning them from imports and exports related to China in its latest sanctions against the US companies.

Feb. 16, 2023: Japanese Foreign Minister Yoshimasa Hayashi <u>announces</u> that Japan will invite his Ukrainian counterpart to the G7 Foreign Ministers' meeting to be held in Germany.

Feb. 17, 2023: China <u>imposes</u> sanctions on US defense manufacturers Raytheon and Lockheed Martin as a "countermeasure" for their fulfillment of arms sales contracts for Taiwan.

Feb. 17, 2023: US Vice President Kamala Harris <u>discusses</u> challenges posed by China with French President Emmanuel Macron and German Chancellor Olaf Scholz and agrees to remain closely aligned in meetings with the European leaders, held alongside the Munich Security Conference.

Feb. 17, 2023: Taiwan <u>finds</u> crashed weather balloon on a remote island, after it had found the remains of a probable crashed weather balloon likely from China on a remote and strategically located island near the Chinese coast, amid a dispute between China and the United States over spy balloons.

Feb. 17, 2023: Myanmar's parallel <u>National</u> <u>Unity Government asks</u> the US for more sanctions against the Tatmadaw and increased funding for anti-junta forces.

Feb. 17, 2023: Japan says it <u>will</u> start a pilot program in April to test the use of a digital yen, its central bank, joining a growing number of countries seeking to catch up with front-runner

China in launching a central bank digital currency.

Feb. 18, 2023: North Korea <u>launches</u> a longrange <u>ballistic missile</u> into the sea off Japan's west coast, after warning of a strong response to upcoming military drills by South Korea and the United States. Japanese authorities declare that the missile plunged into waters inside Japan's exclusive economic zone more than an hour after it was launched, suggesting the weapon was one of Pyongyang's largest missiles.

Feb. 18, 2023: Japanese and South Korean foreign ministers <u>meet</u> on sidelines of Munich Security Conference reiterating the need for "close communications between the two countries on each diplomatic level to resolve issues of concern."

Feb. 18, 2023: In an effort to maintain lines of communication, Secretary Blinken <u>meets</u> Wang Yi on the sidelines of the 59th Munich Security Conference, the first high-level meeting between Chinese and US officials since the balloon incident.

Feb. 19, 2023: United States <u>holds</u> Joint Bilateral Air Exercises with South Korea and Japan, respectively involving strategic bombers, in response to North Korea <u>firing</u> a Hwasong-15 intercontinental ballistic missile in a "sudden launching drill."

Feb. 20, 2023: North Korea <u>fires</u> two shortrange ballistic missiles toward the East Sea, following the joint air drills staged by South Korea and the United States.

Feb. 20, 2023: US Ambassador to the United Nations, Linda Thomas–Greenfield <u>urges</u> the UN Security Council to condemn North Korea's ballistic missile launches and encourage Pyongyang to engage in diplomacy.

Feb. 20, 2023: Philippines and the United States <u>discuss</u> conducting joint coast guard patrols, including in the South China Sea, in a response to overlapping sovereign claims in the strategic waterway and China's "aggressive activities" in the region; which has also become a flashpoint for Chinese and US tensions around naval operation.

Feb. 20-27, 2023: Russia, China, and South Africa <u>hold</u> second joint naval drill, *Mosi-2*, in the Indian Ocean off the coast of South Africa.

Feb. 22, 2023: Following North Korea's recent ballistic missile launches, South Korea, the United States, and Japan <u>conduct</u> a trilateral missile defense exercise to strengthen security cooperation.

Feb. 22, 2023: Philippines and Australia <u>discuss</u> pursuing joint patrols in the South China Sea, days after the Southeast Asian country held similar talks with the United States on the need to counter China's assertiveness in the strategic waterway.

Feb. 22, 2023: China and Japan <u>square</u> off at their 1st Formal Security Talk in over four years. The talks, <u>aimed at easing tensions</u> between the world's second- and third-largest economies, come as Tokyo worries that Beijing will resort to force to take control of Taiwan in the wake of Russia's attack on Ukraine, sparking a conflict that could embroil Japan and disrupt global trade.

Feb. 23, 2023: US and South Korean Deterrence Strategy Committee <u>conducts</u> its 1st Table– Top/Simulated Exercise, known as DSC TTX, in response to Democratic People's Republic of Korea's recent aggressive nuclear policy and advancements in nuclear capabilities.

Feb. 23, 2023: United States is <u>set</u> to expand the number of troops helping train Taiwanese forces, at a time of heightened tensions between Washington and Beijing.

Feb. 23, 2023: G7 nations <u>raise</u> \$39 billion worth of economic support for Ukraine and urge an IMF program for the country by the end of March. The decision comes after a meeting of the bloc's finance ministers and central bank governors on the eve of the war's first anniversary.

Feb. 23, 2023: After a four-year gap, China and Japan <u>resume</u> diplomatic and security talks with the successive holding of the 29th regular consultation between China and Japan diplomatic authorities, the 17th China-Japan security dialogue, and the 16th China-Japan economic partnership consultation.

Feb. 24, 2023: North Korea <u>fires</u> four *Hwasal*-2 strategic cruise missiles to demonstrate the "war posture" of the country's nuclear combat forces.

Feb. 24, 2023: Canada pledges four more

Leopard 2 battle tanks, an armored recovery vehicle, over 5,000 rounds of 155 mm and a new legion of sanctions targeting 129 individuals and 63 entities including Russian deputy prime ministers and other officials to Ukraine in its defense against Russia.

Feb. 24, 2023: US State Department <u>marks</u> the first anniversary of Russia's full-scale invasion of Ukraine by sanctioning more than 60 top Russian officials, including cabinet ministers and regional leaders, and three nuclear weapons institutes.

Feb. 24, 2023: Pacific Islands Forum <u>agrees</u> to pass on the diplomatic post to Taiwan ally Nauru in 2024; as it resolves to face climate change and superpower rivalry as a united "family."

Feb. 24, 2023: North Korea <u>test-fires</u> four strategic cruise missiles during a drill designed to demonstrate its ability to conduct a nuclear counterattack against hostile forces; in response to the US-South Korea simulated exercises held earlier.

Feb. 24, 2023: China <u>issues</u> a 12-point "Position Paper on the Political Settlement of the Ukraine Crisis."

Feb. 25, 2023: G20 finance chiefs <u>fail</u> to reach a consensus on describing the war in Ukraine and end the meeting by issuing a "Chair's summary and an Outcome document" in which it simply summed up the two days of talks and noted disagreements.

Feb. 25, 2023: USS *Springfield*, a US nuclearpowered submarine, <u>arrives</u> in South Korea, in an apparent warning to North Korea's repeated missile provocations.

Feb. 27, 2023: China <u>accuses</u> the US of "endangering" peace and stability in the Taiwan Strait after a US P-8A Poseidon maritime patrol and reconnaissance military plane flies through the sensitive waterway; citing Beijing's "sovereignty, sovereign rights and jurisdiction" over the strait.

Feb. 27, 2023: International Finance Corporation (IFC), the World Bank's investment arm, will provide Sri Lanka a \$400 million cross-currency swap facility to help fund essential imports; as the Indo-Pacific island nation grapples with its worst financial crisis in over seven decades.

Feb. 27, 2023: JPMorgan <u>proposes</u> a new Asia credit index with slashed China weighting in parallel to its existing \$85 billion Asia credit index, amid growing geopolitical tensions and dimming appetite for Chinese property bonds.

Feb. 28, 2023: Thailand and the United States kick off military exercises involving more than 7,000 personnel and forces from 30 countries, with the annual "Cobra Gold" drills; one of the world's longest-running multilateral military exercises and the biggest in Southeast Asia, to shore up alliances in Asia at a time of increasing competition with China. The latest edition of this drill will include a new component focused on space exercises.

Feb. 28, 2023: South Korean and US special commandos <u>conduct</u> *Exercise Teak Knife*, combined drills set to strengthen the "ironclad" security commitment between the allies.

Feb. 28, 2023: Seoul Central District Prosecutors Office <u>indicts</u> four of former President Moon Jae-in's former minister-level officials for alleged involvement in the forced repatriation of two North Korean fishermen in 2019.

Feb. 28, 2023: South Korea, the United States, and Japan <u>hold</u> their first economic security dialogue, amid efforts to strengthen the resilience of supply chains and develop technology. With an intent to expand bilateral economic security cooperation with the United States to the trilateral level, the countries discussed cooperation to protect technology and data and vulnerabilities arising from economic interdependence.

March 1, 2023: Pentagon <u>approves</u> a \$619 million sale in *F*-16 fighter jets and related munitions to Taiwan. China <u>responds</u> with an incursion of over 20 fighter jets in Taiwan's Air Defense Identification Zone (ADIZ).

March 1, 2023: Military regime in Myanmar <u>amends</u> the Anti-Terrorism Law to designate anyone who provides support, financial or otherwise, to a terrorist organization will also be designated as a terrorist. In 2021 the junta <u>declared</u> the National Unity Government and the People's Defense Force as terrorists.

March 1, 2023: In his first speech addressing the March First Independence Movement Day, President Yoon <u>calls</u> Japan a "partner" to work together to face global challenges.

March 2, 2023: White House<u>announces</u> a new Cyber–Security strategy in the latest effort to bolster its cyber defenses amid a steady increase in hacking and digital crimes targeting the country. The strategy urges tighter regulation of existing cyber–security practices across industries and improved collaboration between the government and private sector.

March 2, 2023: United States <u>adds</u> 37 Chinese and Russian entities to its trade blacklist for activities including contributing to Russia's army, supporting China's military and facilitating or engaging in human rights abuses in Myanmar and China.

March 2, 2023: United States <u>imposes sanctions</u> on two individuals and three companies for their involvement with North Korea's ballistic missile programs.

March 2, 2023: Vietnam's National Assembly <u>elects</u> Vo Van Thuong as the country's new president, in a reshuffle of the country's top leadership amid a sweeping anti-graft campaign.

March 2, 2023: Quad foreign ministers <u>meet</u> to reaffirm support for an inclusive, resilient, free and open Indo–Pacific.

March 3, 2023: South Korea and Japan <u>create</u> a new channel of bilateral communication to negotiate a resolution of the wartime forced labor issue.

March 3, 2023: US State Department <u>announces</u> \$6 billion in funding commitments around the world to protect oceans and fight climate change. The announcement includes 77 different commitments, with \$3 billion allocated for climate resilience and climate research, more than \$665 million for sustainable fisheries and \$200 million tackling marine pollution.

March 3, 2023: India's ambassador to the US joins other Quad Foreign Ministers at the Raisina Dialogue 2023, including Secretary Blinken. Blinken <u>reaffirms</u> that the Quad is a vital part of the US vision for a free and open Indo-Pacific.

March 3, 2023: A Cambodian court <u>convicts</u> former leader of the Cambodia National Rescue Party (CNRP) Kem Sokha of treason and sentenced him to 27 years of house arrest. Under

detention since 2017, his sentencing is a clear warning to the remnants of the Cambodian political opposition ahead of general elections on July 23.

March 3, 2023: United States and South Korea <u>announce</u> that they will conduct more than 10 days

March 3, 2023: A Russian submarine <u>launches</u> the Kalibr cruise missile from Sea of Japan in a drill. These missiles have been previously used by Kremlin to attack multiple targets in Ukraine, including power stations, by launching them from ships and submarines in the Black Sea.

March 4, 2023: As the chair of the G7 in 2023, the Japanese government <u>pledges</u> financial and technological support to help ASEAN countries decarbonize their economies, combat global climate change and promote "realistic energy transition."

March 4, 2023: Philippines <u>spots</u> a Chinese navy ship and dozens of militia vessels around a contested Philippine-occupied Thitu island in the South China Sea, as territorial tensions mount in the area.

March 5, 2023: Negotiators from more than 100 countries <u>complete</u> a UN treaty to protect the high seas, to reverse marine biodiversity losses and ensure sustainable development; after five rounds of protracted UN-led negotiations.

March 5, 2023: China's National Budget 2023 <u>allocates</u> 1.55 trillion Yuan (\$224 billion) to military spending and the state is expected to boost defense expenditure by 7.2%, slightly outpacing 2022's economic growth forecast.

March 5, 2023: South Korea <u>announces</u> that its companies would compensate people forced to work under Japan's 1910–1945 occupation, seeking to end a dispute that has undercut US-led efforts to present a unified front against China and North Korea. This solution shall help resolve the colonial-era forced labor that has overshadowed political and trade relations between the two neighbors.

March 6, 2023: South Korea and the United States <u>stage</u> combined air drills involving a US nuclear-capable B-52H strategic bomber.

March 6, 2023: China <u>announces</u> the contribution of 200,000 euros (\$217,000) to the

International Atomic Energy Agency (IAEA) for technical assistance to Ukraine for the safety and security of nuclear power plants or other peaceful nuclear facilities in Ukraine.

March 6, 2023: South Korea <u>drops</u> its complaint with the World Trade Organization on Japan's export controls of three important semiconductor precursor materials: hydrogen fluoride, fluorinated polyamide and photoresist. Japan <u>announces</u> it will start discussions with South Korea on lifting export controls.

March 8, 2023: Chinese government <u>announces</u> a 7.2% rise, to \$225 billion, in the country's defense budget for 2023, though foreign analysts estimate that actual military spending may be 1.1 to 2 times higher than stated in the official budget.

March 8-10, 2023: ASEAN and Chinese officials <u>meet</u> for a three-day discussion for the "China-ASEAN Joint Working Group on the Implementation of the Declaration on the Conduct of Parties in the South China Sea."

March 9, 2023: North Korea <u>fires</u> a short-range ballistic missile toward the Yellow Sea.

March 10, 2023: Iran and Saudi Arabia <u>agree</u> to re-establish relations after years of hostility that had threatened stability and security in the Gulf and helped fuel conflicts in the Middle East from Yemen to Syria. The deal, brokered by China, was announced after four days of previously undisclosed talks in Beijing between top security officials from the two rival Middle East powers.

March 10, 2023: A Gallup Korea poll <u>shows</u> that 59% of Koreans do not approve of the Yoon government's compensation plan because it does not involve an apology or compensation from Japanese firms.

March 10, 2023: President of Federated States of Micronesia David Panuelo <u>mentions</u> the commencement of talks with Taiwan about switching diplomatic ties for \$50 million in assistance after frustrations with China.

March 12, 2023: South Korean navy destroyer ROKS *Choe Yeong* <u>conducts</u> a joint field exercise with the USS *Rafael Peralta*.

March 13, 2023: Biden administration <u>approves</u> a scaled-back version of ConocoPhillips'

(COP.N) \$7 billion oil and gas drilling Willow project in Alaska, drawing cheers from Alaskan officials and the oil industry but criticism from environmental advocates.

March 13, 2023: North Korea <u>fires</u> two strategic cruise missiles from a submarine in the East Sea.

March 13, 2023: South Korea and the United States <u>begin</u> the 11-day *Freedom Shield* exercise that present "realistic" scenarios reflective of North Korea's evolving nuclear and missile threats.

March 14, 2023: Honduras President <u>Xiomara</u> <u>Castro announces</u> the country will switch its diplomatic relations from the Republic of China to the People's Republic of China.

March 15, 2023: US Senate <u>confirms</u> President Joe Biden's nominee Eric Garcetti as Ambassador to India.

March 15, 2023: China's Coast Guard <u>enters</u> waters around disputed East China Sea islets on Wednesday to counter what it called the incursion of Japanese vessels into Chinese territorial waters.

March 15, 2023: South Korea <u>participates</u> in a US-led multinational anti-submarine warfare exercise to enhance joint anti-submarine warfare capabilities.

March 15, 2023: Australian Prime Minister Anthony Albanese <u>meets</u> his Fiji counterpart in Suva to alleviate concerns surrounding its \$245 billion nuclear-powered submarine program. Australia is party to a nuclear-free zone treaty with 12 other South Pacific nations, including Fiji, which is gridlocked by the effects of nuclear weapons tests by the United States and France.

March 15, 2023: China, Iran, and Russia<u>conduct</u> joint naval exercises titled ""Marine Security Belt" exercises "in the Gulf of Oman to "deepen practical cooperation among the navies of participating countries."

March 15, 2023: US Environmental Protection Agency <u>finalizes</u> a rule to require industrial facilities and power plants in 23 states to cut their smog-forming nitrogen oxide (NOx) emissions, under the final "Good Neighbor" plan. **March 15-19, 2023**: Negotiators from 14 countries, including the US, <u>take part</u> in the second round of negotiations on the Indo-Pacific Economic Framework in Bali.

March 15–19, 2023: China, Russia, and Iran <u>hold</u> a joint naval drill, code-named "*Security Bond-*2023," in the Gulf of Oman.

March 16, 2023: China <u>blocks</u> the United States from broadcasting an informal United Nations Security Council meeting on human rights abuses in North Korea online.

March 16, 2023: North Korea <u>fires</u> a *Hwasong-17* intercontinental ballistic missile toward the East Sea in a show of the "toughest response posture" against "aggressive" combined drills by the US and South Korea.

March 16, 2023: China's foreign ministry <u>counters</u> Japan's territorial claims over disputed waters in the East China Sea, calling the move a "grave violation" of Chinese sovereignty.

March 16, 2023: Japan announces decision to <u>lift</u> export controls on three precursor materials, fluorine polyimide, photoresist and hydrogen fluoride to South Korea. In return, South Korea <u>announces</u> withdrawal of its complaint with the WTO on Japan's export controls.

March 16, 2023: South Korean President Yoon <u>travels</u> to Tokyo to meet with Prime Minister Fumio, the first such summit between leaders of the two countries in 12 years.

March 17, 2023: Taiwan <u>vows</u> to remain resilient and pragmatic and support its allies, not bowing before the "big bully in the neighborhood," as the island faces the loss of long-term ally Honduras to China.

March 18, 2023: Russia, China, and Iran <u>complete</u> three-way naval exercises in the Arabian Sea that included artillery fire at targets on the sea and in the air.

March 19, 2023: Japanese Foreign Minister Yoshimasa Hayashi <u>discusses</u> global security and China's presence in the Pacific with the leader of the Solomon Islands; in the very first visit by a Japanese foreign minister to the island state.

March 19, 2023: North Korea <u>fires</u> a short-range ballistic missile toward the East Sea.

March 19, 2023: A US B-1B strategic bomber returns to South Korea for joint exercises and as a show of force as North Korea fires a ballistic missile into the East Sea.

March 20, 2023: China and Cambodia <u>hold</u> the first ever Golden Dragon 2023 Joint Military Naval exercises in Sihanoukville, Cambodia.

March 20, 2023: Russia <u>overtakes</u> Saudi Arabia to become China's top oil supplier in the first two months of 2023, as buyers snap up sanctioned Russian oil at steep discounts. Arrivals from Russia totaled 15.68 million tons in January-February, or 1.94 million barrels per day, up 23.8% from 1.57 million bpd in the corresponding 2022 period, according to data from the General Administration of Customs.

March 20, 2023: North Korea <u>conducts</u> a twoday practice simulating a tactical nuclear counterattack to South Korea–United States "war" drills.

March 20, 2023: Prime Minister Kishida <u>deems</u> India "an essential partner when it comes to realizing Japan's free and open Indo-Pacific vision," as he announces joint maritime exercises with India and the United States, as well as goodwill exercises with ASEAN and the Pacific Islands, in addition to promising \$75 billion in investment to counter China and help regional economies across all sectors.

March 20-22, 2023: President Xi Jinping <u>pays</u> a state visit to Russia and holds "<u>long, sincere and friendly talks</u>" with President Putin as well as talks with PM Mikhail <u>Mishustin</u>. A dozen documents are signed, including statements of <u>strategic</u> and <u>economic</u> cooperation.

March 20, 2023: South Korea and the United States <u>conduct</u> high-tech military drills with increased "intensity and realism" to bolster deterrence against North Korean provocations. March 20, 2023: 2022 Country Reports on Human Rights Practices, released by the US Department of State, <u>calls</u> out North Korea for dozens of human rights issues such as torture, total state control of media, and trafficking.

March 20-21, 2023: Kishida <u>travels</u> to India to promote a vision of a free and open Indo-Pacific and invites Prime Minister Narendra Modi to the G7 summit in May.

March 21, 2023: Russian President Vladimir Putin <u>remarks</u> that Chinese proposals tabled by Xi Jinping can be used as the basis of a peace settlement in Ukraine. In a joint statement at the end of Xi's state visit to Moscow, the two men caution against any steps that might push the Ukraine conflict into an "uncontrollable phase," adding that there could be no winners in a nuclear war.

March 21, 2023: China's President Xi Jinping <u>invites</u> Russian President Vladimir Putin for the third Belt and Road Forum for International Cooperation, to be held in China later this year.

March 21, 2023: Russia <u>flies</u> two Tupolev Tu-95MS strategic bomber planes over the Sea of Japan for more than seven hours, as Japan's Prime minister begins his visit to Ukraine. The planes are capable of carrying nuclear weapons and Moscow regularly flies them over international waters in the Arctic, North Atlantic and Pacific as a show of strength.

March 22, 2023: Rick Waters, head of the State Department's "China house" <u>travels</u> to Shanghai, Beijing, and Hong Kong for meetings with Chinese officials.

March 22, 2023: North Korea <u>criticizes</u> US Ambassador to the United Nations Linda Thomas–Greenfield for calling on the UNSC to denuclearize North Korea. North Korea states that pressure to dismantle its nukes means "a declaration of war."

March 22, 2023: Solomon Islands <u>awards</u> a multi-million-dollar contract to a Chinese state company to upgrade an international port in Honiara in a project funded by the Asian Development Bank. The Solomon Islands had struck a security pact with Beijing in 2022, prompting concern from the United States and its allies, including Australia, New Zealand and Japan, over China's ambitions to build a naval base in the region.

March 22, 2023: President Ferdinand Marcos Jr grants the US access to four new military bases under the Enhanced Defense Cooperation Agreement.These sites will be located in various parts of the Philippines, including in a province facing the South China Sea. **March 22, 2023:** North Korea <u>fires</u> multiple cruise missiles off its east coast in a latest series of tests of its weapons as its rivals, South Korea and the United States, conducted joint military exercises.

March 23, 2023: House Select Committee on China holds a <u>hearing</u> entitled "The Chinese Communist Party's Ongoing Uyghur Genocide."

March 23, 2023: A US Navy destroyer <u>sails</u> near one of the most important man-made and Chinese controlled islands in the South China Sea, in a freedom of navigation mission that Beijing denounced as illegal.

March 23, 2023: South Korea, the United States, and the United Kingdom <u>stage</u> combined highintensity airborne and maritime infiltration drills to strengthen mission capabilities. South Korea and the United States also <u>conduct</u> a large-scale combined live-fire exercise near the Demilitarized Zone.

March 24, 2023: US Treasury Department <u>imposes</u> sanctions on two individuals and six entities in Myanmar and advises that the provision of jet fuel to the Tatmadaw will come under US sanctions.

March 24, 2023: US Forces Korea <u>conducts</u> the first training on the deployment of a remote launcher of the Terminal High Altitude Area Defense missile defense system stationed in South Korea.

March 24, 2023: North Korea <u>conducts</u> a new underwater nuclear strategic weapon test and cruise missile exercise to "alert the enemy to an actual nuclear crisis."

March 27, 2023: North Korea <u>fires</u> two short-range ballistic missiles toward the East Sea.

March 28, 2023: Myanmar's State Administrative Council officially <u>dissolves</u> 40 political parties, including the National League for Democracy, the party of Aung San Suu Kyi and the winner of the November 2020 elections that the military set aside with the coup of Feb. 1, 2021.

March 28, 2023: Media reports suggest the US, Japan, and Philippines <u>plan</u> to create a trilateral framework involving their national security advisers.

March 29-30, 2023: Biden administration <u>convenes</u> the second Summit for Democracy, co-hosted with the governments of Costa Rica, the Netherlands, Republic of Korea, and Republic of Zambia.

March 31, 2023: For the first time, South Korea's Ministry of Unification <u>publishes</u> its annual report on North Korean human rights.

April 3, 2023: South Korea, the United States, and Japan <u>hold</u> a trilateral naval exercise featuring the USS *Nimitz* carrier that is focused on enhancing response capabilities against underwater threats.

April 5, 2023: China and Cambodia <u>conclude</u> "Golden Dragon 2023" joint military exercise.

April 5, 2023: Japan <u>sets</u> out the new aid scheme—Overseas Security Assistance—to allow overseas defense funding by offering countries financial assistance to help them bolster their defenses, marking its first unambiguous departure from rules that forbid the use of international aid for military purposes. The OSA will be managed separately from the Overseas Development Assistance program that for decades has funded roads, dams and other civilian infrastructure.

April 5, 2023: US House Speaker McCarthy <u>meets</u> with Taiwan President Tsai before a bipartisan group of US lawmakers at the Ronald Reagan Presidential Library outside Los Angeles.

April 5, 2023: A US B-52 strategic bomber joins military exercises with South Korea in the latest demonstration of the allies' readiness to respond to any North Korean provocation. The bomber, in the first deployment to South Korea of a US B-52 since March 6, joined US F-35B and F-16 fighters, and South Korean F-35 jets for the exercise.

April 5, 2023: Trade ministers of the G7 countries <u>hold</u> their first meeting of the year via teleconference, to discuss export controls and economic security by reaffirming "that export controls are a fundamental policy tool to address the challenges posed by the diversion of technology critical to military applications as well as for other activities that threaten global, regional, and national security."

April 5, 2023: China <u>urges</u> the World Trade Organization to scrutinize US-led technology

export restrictions aimed at curbing its ability to make advanced chips. Chinese representatives addressed the WTO meeting by demanding that Japan, the Netherlands and the United States to report their plans and subsequent measures to the body and urged the WTO to step up supervision on the matter.

April 5-7, 2023: China and France <u>agree</u> to work for a peaceful solution to the Ukraine conflict during French President Macron's three-day visit to China.

April 6, 2023: Over 5,000 people <u>flee</u> into Thailand after fighting between the Myanmar military and armed ethnic rebels.

April 6-8, 2023: House Foreign Affairs Committee Chairman Michael McCaul <u>visits</u> Taiwan and meets Tsai and Vice President Lai Ching-te. On the 13th, China responds by sanctioning him personally, adding to the list of senior members of Congress on Beijing's blacklist.

April 7, 2023: North Korea does not <u>respond</u> to the South's usual twice-daily calls at 9 a.m. and 5 p.m. on their telephone liaison channel, nor to the separate daily test calls at 4 p.m. on two military hotlines covering the West and East Seas. On April 10, the Ministry of Unification <u>concludes</u> that Pyongyang has unilaterally severed all communications.

April 8, 2023: Malaysia <u>express</u> firm commitment to protecting its sovereign rights and interests in the South China Sea after China expressed concern about Malaysian energy projects in a part of the South China Sea that China also claims.

April 8, 2023: House of Representatives <u>votes</u> unanimously to instruct the White House to work toward changing China's status as a "developing nation" in the World Trade Organization.

April 10, 2023: China <u>ends</u> three days of military drills around Taiwan, after testing integrated military capabilities under actual combat conditions, having practiced precision strikes and blockading the island that Beijing views as its own.

April 10, 2023: A spokesperson for the Department of State <u>announces</u> that the US commitment to South Korea is "ironclad" when

asked about recently leaked documents revealing (among other things) that the US may have eavesdropped on conversations at the South Korean presidential office. A South Korean presidential official <u>states</u> that South Korea will seek "appropriate measures" from the US if necessary after looking into the validity of the leaked documents.

April 10-14, 2023: US, Japan, Australia, and India hold the Quad Cyber Challenge.

April 11, 2023: South Korean Defense Minister Lee Jong-sup talks with Secretary of Defense Austin regarding recent news of leaked documents that the US wiretapped conversations of top South Korean national security officials. The two agree that a "great deal of disclosed information was fabricated." Kim Tae-hyo, South Korean principal deputy national security adviser, states that South Korea and the US believe that a "large portion" of the leaked classified documents may be fake and are considering the involvement of a "third party."

April 11–28, 2023: US and the Philippines <u>conduct</u> the 38th iteration of the *Balikatan* ("Shoulder-to-Shoulder") exercises.

April 12, 2023: Xi <u>stresses</u> need to deepen military training, preparation and comprehensively raise their level of modernization after inspecting his country's Southern Theatre Command navy.

April 12, 2023: Taiwan's defense ministry <u>announces</u> the incursion of 14 Chinese air force planes across the Taiwan Strait's median line. This demarcation serves as an unofficial barrier between the two sides.

April 12, 2023: Taiwan's ruling Democratic Progressive Party nominates Vice President William Lai Ching-te as its presidential candidate in the 2024 election.

April 12, 2023: South Korea <u>reaches</u> an agreement to lend the United States 500,000 rounds of 155mm artillery shells. This deal would give Washington greater flexibility to supply Ukraine with ammunition while sticking to the government principle of not providing lethal weapons in conflict zones.

April 12, 2023: French President Emmanuel Macron <u>favors</u> the status-quo on Taiwan, he

says, after facing backlash over comments calling for caution against being drawn into a crisis over Taiwan driven by an "American rhythm and a Chinese overreaction."

April 12, 2023: United States <u>becomes</u> the first major fishing nation to ratify a deal to cut subsidies contributing to overfishing. The deal aims to cut billions of dollars in harmful subsidies that empty the ocean of marine life.

April 13, 2023: Chair of ASEAN bloc strongly <u>condemns</u> a military air strike on a village in Myanmar, reported to have killed up to 100 people including civilians.

April 13, 2023: Japan, India, and France <u>announce</u> a common platform for talks among bilateral creditors to coordinate restructuring of Sri Lanka's debt. This move is expected to serve as a model for solving the debt woes of middleincome economies.

April 13, 2023: Canada and South Korea <u>plan</u> to launch talks on an information security agreement to facilitate intelligence-sharing and promote security ties, earlier this year.

April 13, 2023: China's foreign ministry <u>sanctions</u> US Rep. Michael McCaul (R-Texas), chairman of the House of Representatives Foreign Affairs Committee, for visiting Taiwan and sending "serious wrong signals" to Taiwan independence separatist forces.

April 13, 2023: China <u>opts</u> out of a United Nations project to survey Asian wet markets and other facilities at high risk of spreading infectious diseases from wild animals to humans.

April 14, 2023: North Korean States media <u>announces</u> the testing of a new solid-fuel ICBM, the *Hwasong-18*, to "radically promote" its nuclear counterattack capability.

April 14, 2023: Beijing's ambassador to Manila <u>remarks</u> that Philippines is "stoking the fire" of regional tensions by offering expanded military base access to the United States, whose goal is to interfere in China's affairs with Taiwan. This statement comes in the light of Philippines identifying four more bases that Washington can use under an Enhanced Defense Cooperation Agreement signed in 2014. **April 14, 2023:** South Korea and the United States <u>hold</u> joint air drills following North Korea's recent firing of an intercontinental ballistic missile.

April 15, 2023: Japan's Economy and Trade Minister Nishimura Yasutoshi <u>urges</u> members of the G7 nations to help emerging countries reduce emissions, including the financing of decarbonization in "hard-to-abate" industries.

April 15, 2023: A suspect is <u>arrested</u> after allegedly throwing an explosive device at Prime Minister Kishida in an assassination attempt.

April 15, 2023: China's top diplomat Wang Yi "<u>hopes</u> and believes" Germany will support China's "peaceful reunification" with Taiwan, at a meeting with German Foreign Minister Annalena Baerbock; adding that China once supported Germany's reunification.

April 15, 2023: South Korean Principal Deputy National Security Adviser Kim Tae-hyo <u>states</u> that there is a possibility that Japan could join the South Korea-US intelligence alliance.

April 15, 2023: Vietnamese Prime Minister Pham Minh Chinh and US Secretary of State Antony Blinken <u>express</u> a desire to deepen their ties as Washington seeks to solidify alliances to counter an increasingly assertive China.

April 15, 2023: US, South Korea, and Japan <u>hold</u> the 13th Defense Trilateral Talks, a directorgeneral level talk in Washington, DC to discuss the North Korean threat and ways to deepen trilateral security cooperation.

April 16, 2023: South Korea <u>fires</u> warning shots after toward a North Korean vessel that breached the Northern Limit Line, the de facto sea boundary.

April 16, 2023: China <u>launches</u> a weather satellite as civilian flights alter their routes to avoid a Chinese-imposed no-fly zone to the north of Taiwan which Beijing put in place because of the possibility of falling rocket debris.

April 17, 2023: Japan and South Korea <u>hold</u> their first security talks since 2018, centered around strategic environments surrounding the two countries. Their finance ministers also announce plans to <u>hold</u> a bilateral meeting for the first time in seven years, heralding closer cooperation in economic policy that has been hampered by diplomatic conflict.

April 17, 2023: Tokyo <u>lodges</u> a protest against Russia over its military exercises around disputed islands near Japan's Hokkaido.

April 17, 2023: US warship USS *Milius* <u>sails</u> through the Taiwan Strait following Chinese War Games around the island. China, which views Taiwan as its own territory, officially ended its three days of <u>exercises</u> around Taiwan, where it practiced precision strikes and blockading the island.

April 17, 2023: Russia <u>brushes</u> off Japanese criticism of naval exercises by its Pacific Fleet, saying it needed to be on guard against a variety of regional threats while focusing on Ukraine.

April 17, 2023: South Korea, the United States, and Japan <u>stage</u> joint naval missile defense exercises to improve responses to North Korean threats, as Pyongyang accuses Washington of ramping up "nuclear blackmail" with military drills.

April 17, 2023: Taiwan to <u>buy</u> 400 US landlaunched Harpoon missiles in the face of rising threat from China. The Pentagon announced a \$1.17 billion contract for 400 of the anti-ship missiles, saying production was expected to be completed by March 2029.

April 18, 2023: United States and South Korea <u>conduct</u> combined attack drills as part of the Korea Marine Exercise Program to strengthen capabilities and interoperability.

April 18-20, 2023: United States and Thailand <u>conduct</u> the third bilateral energy dialogue in Washington, DC.

April 18, 2023: Recently elected New Zealand Prime Minister Chris Hipkins to <u>attend</u> the upcoming NATO summit.

April 18, 2023: Rick Waters, deputy assistant secretary of state for China and Taiwan, <u>accepts</u> Washington's knowledge of China's transnational law enforcement within the borders of "dozens of countries" in a US House of Representatives hearing.

April 18, 2023: Australia and New Zealand to sign an Arms Co-operation Deal, Plan ANZAC, to improve army interoperability with more

cooperation over training, capability, readiness and personnel.

April 18, 2023: G7 industrial powers <u>stress</u> unity amid growing acts of coercion and sanctioning of nuclear weapons, committed by China and Russia respectively.

April 19, 2023: North Korean leader Kim Jong Un <u>orders</u> preparations for the planned launch of the country's first spy satellite to counter threats from the United States and South Korea. Analysts say the military satellite is part of the reclusive, nuclear-armed state's efforts to advance surveillance technology, including drones, to improve its ability to strike targets in the event of a conflict.

April 19, 2023: South Korean President Yoon <u>opens</u> door for possible military aid to Ukraine if it comes under a large-scale civilian attack; signaling a shift in his stance against arming Ukraine for the first time.

April 19, 2023: UN Secretary–General Antonio Guterres to <u>convene</u> envoys on Afghanistan from various countries to work on a unified approach to deal with the Taliban authorities here on.

April 19, 2023: South Korean President Yoon <u>comments</u> on Taiwan in an interview with *Reuters*, prompting China's Ministry of Foreign Affairs to <u>comment</u> on Yoon's comments the same day, labeling them "meddling." South Korea's Ministry of Foreign Affairs <u>denounces</u> China's response the following day and summons Chinese Ambassador Xing Haiming.

April 20, 2023: United States to <u>coordinate</u> closely with South Korea on more support for Ukraine, calling its key Asian ally "a stalwart partner" in defending Ukraine's sovereignty.

April 20, 2023: Australian Foreign Minister Penny Wong <u>urges</u> Pacific island countries to stay united in the face of great power competition. Her visit to the French territory coincides with a push by a China-backed group for several Pacific island nations, including New Caledonia, to sign a splinter security pact.

April 20, 2023: US Trade Representative Katherine Tai <u>states</u> that the Indo-Pacific Economic Framework trade negotiations are progressing "at a very quick pace" and she expects results from the talks as early as by the

end of the year. The IPEF marks Washington's first major pan-Asian trade engagement effort in nearly a decade.

April 20, 2023: Vietnam <u>opposes</u> China's unilateral annual ban on fishing in a vast area of the South China Sea, calling it a violation of its sovereignty. China in its defense, says the ban, applicable from May 1 to Aug. 16, is to promote sustainable fishing and improve marine ecology.

April 20, 2023: Emergency workers on a Taiwan-controlled Matsu Islands next to China's Fuzhou city <u>practice</u> responding to a simulated Chinese attack after Beijing staged <u>war games</u> around the sensitive Taiwan Strait.

April 20, 2023: A US congressional war game simulating a Chinese invasion of Taiwan shows the need to arm the island "to the teeth," after the exercise indicated the US must boost production of long-range missiles and businesses must brace for economic fallout.

April 21, 2023: At the Lanting Forum in Shanghai, the Chinese Foreign Minister Qin Gang <u>states</u> that it is right and proper for China to uphold its sovereignty as both sides of the Taiwan Strait belong to China.

April 21, 2023: South Korea's foreign ministry <u>expresses</u> "deep disappointment and regret" after Prime Minister Kishida sent a ritual offering of a "masakaki" tree stand to Yasukuni Shrine.

April 21, 2023: Australian Prime Minister Anthony Albanese <u>confirms</u> his attendance at the NATO summit, days after his New Zealand counterpart, Chris Hipkins, confirmed his participation. Australia and New Zealand are not members of NATO but have a decades-long relationship with the Western alliance.

April 21, 2023: North Korea <u>criticizes</u> the G7 over call for denuclearization, while it vows to continue to build up its forces until military threats from the United States and its allies are eliminated.

April 21, 2023: Russia <u>bans</u> the League of Residents of Chishima and Habomai Islands from campaigning for Japanese sovereignty over four disputed islands seized by the Soviet Union at the end of World War II, amid rising tensions between Moscow and Tokyo. **April 21, 2023:** Guatemalan President Alejandro Giammattei announces plans to <u>visit</u> Taiwan, as a reciprocal gesture mirroring Taiwanese President Tsai Ing-wen to the country. The Guatemalan delegation is expected to pitch the country as a destination for investment and will tour several companies with the hopes of replicating their business model back home.

April 22, 2023: Japan's Self-Defense Forces prepare to shoot down North Korea satellites to minimize damage should a ballistic missile fall on Japan.

April 22, 2023: Philippines and China to <u>set</u> up more lines of communication to resolve maritime issues in the South China Sea

April 23, 2023: China's Vice Foreign Minister Sun Weidong <u>lodges</u> solemn representations with the South Korean ambassador over "erroneous" remarks by the South Korean President Yoon about Taiwan.

April 23, 2023: A survey by <u>Realmeter</u>, a leading ROK pollster, <u>finds</u> that 56% of the 1,008 adults sampled support South Korea developing its own nuclear weapons to confront North Korea's nuclear threat.

April 24, 2023: China's cooperation with Europe and other nations is "<u>endless</u>" just as its ties with Russia are "unlimited," China's envoy to the European Union said, giving some reassurance of China's neutrality over Ukraine.

April 24, 2023: Sixth edition of *Cope India-2023*, an Air Exercise between the Indian and American Air Forces at Air Force Stations Kalaikunda, Panagarh and Agra <u>concludes</u>.

April 24, 2023: China and Singapore <u>plan</u> military drills as Beijing deepens its defense and security ties with Southeast Asia, a region with strong existing US alliances.

April 24, 2023: NASA and South Korea's science agency are expected to <u>sign</u> a pact to boost outer space co-operation and expand high-tech partnerships and security ties to deter North Korea.

April 24, 2023: Australia to <u>prioritize</u> longrange precision strike capability, domestic production of guided weapons, and diplomacy key points of a review recommending the country's biggest defense shake-up since World War II.

April 25, 2023: Submarines from Russia's Pacific Fleet <u>destroy</u> a mock enemy object as part of naval drills in the Sea of Japan.

April 25, 2023: German Chancellor Olaf Scholz <u>invites</u> Chinese Premier Li Qiang for talks in Berlin, as the German government develops a new China strategy to reduce dependence on Asia's economic superpower, a vital export market for German goods.

April 25, 2023: Guatemalan President Alejandro Giammattei <u>pledges</u> his unconditional support for the "Republic of Taiwan" on a trip that comes as China steps up pressure on the handful of countries that still maintain formal ties with the island.

April 25, 2023: United States <u>sanctions</u> three individuals for providing support to North Korea's efforts to illegally generate funds for its nuclear and missile development programs.

April 26, 2023: US and South Korea <u>pledge</u> cooperation on potential use of nuclear arms in response to any attack from North Korea, on a guarantee that Seoul swears off from developing its own nuclear weapon. President Yoon also <u>states</u> that the South Korea-US alliance will not be "shaken" by leaked US documents that allegedly contained the contents of tapped conversations of top South Korean officials.

April 26, 2023: US and Philippine armed forces <u>unleash</u> a volley of missiles on a mock enemy warship in the South China Sea, in a show of military power and a strengthening alliance at a time of rising regional tension.

April 26, 2023: Australian Prime Minister Anthony Albanese <u>announces</u> Sydney as the venue and host for the 2023 Quad Leaders' summit, the third in-person meeting of the leaders of Australia, the United States, India, and Japan.

April 26, 2023: Government and think-tank representatives from Myanmar and its neighbors, including India and China, <u>hold</u> talks in New Delhi as part of a secretive effort to de-escalate a bloody crisis in the army-run Southeast Asian nation.

April 26, 2023: Chinese foreign ministry <u>clarifies</u> the government's intention to continue supporting Central Asian countries in safeguarding their independence and territorial integrity, after a senior Chinese envoy in Europe raises an uproar by questioning the sovereignty of those states.

April 26, 2023: Taiwan's Han Kuang exercises are <u>expected</u> to focus on piercing blockade, combat forces preservation and maritime interception using the "Five Eyes" intelligence link in response to China's over riding sovereignty claims in the region.

April 26, 2023: South Korea and the US agree to boost economic partnerships in critical technology industries such as microchips, electric vehicles and batteries, post the US-South Korea bilateral meet.

April 26, 2023: Chinese President Xi Jinping <u>speaks</u> to Ukraine's Volodymyr Zelenskyy for the first time since Russia's invasion of Ukraine.

April 26, 2023: China and Russia <u>sign</u> a memorandum of understanding on strengthening maritime law enforcement cooperation to combat terrorism, illegal migration, smuggling of drugs and weapons and banning illegal fishing.

April 27, 2023: President Yoon and President Biden <u>adopt</u> the <u>Washington Declaration</u> to strengthen the United States "extended deterrence" commitment to South Korea.

April 28, 2023: China and Singapore <u>hold</u> a fourday joint naval exercise in regional waters.

April 28, 2023: India <u>chairs</u> the annual SCO defense ministers' meeting in New Delhi. The SCO defense chiefs pledge to boost strategic communication, focus on consensus, and expand SCO cooperation and jointly safeguard regional security and stability.

Chronology by Pacific Forum Nonresident Vasey Fellow Moksha Pillai

PACIFIC FORTUR CONNECTIONS

A TRIANNUAL E-JOURNAL OF BILATERAL

RELATIONS IN THE INDO-PACIFIC

US-JAPAN RELATIONS

THE US AND JAPAN BUILD MULTILATERAL MOMENTUM

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2023 brings a renewed focus on the US–Japan partnership as a fulcrum of global and regional diplomacy. With an eye to the <u>G7 Summit in Hiroshima</u> in mid–May, Prime Minister Kishida Fumio began the year with visits to G7 counterparts in Europe and North America. Later in the spring, he toured Africa in an effort to gain understanding from countries of the Global South. The Joe Biden administration looks ahead to a lively economic agenda, as it <u>hosts</u> the APEC Summit in November on the heels of the G20 Summit in New Delhi in September. National Security Advisor Jake Sullivan <u>laid out in detail</u> the economic ambitions of the Biden national strategy on April 27, giving further clarity to how the administration's foreign policy will meet the needs of the American middle class. Regional collaboration continues to expand. Both leaders will gather in Australia on May 24 as Prime Minister Anthony Albanese <u>hosts</u> the third in–person meeting of the leaders of the Quad. Also noteworthy in this first quarter of 2023 is the progress in ties between Japan and South Korea.

This article is extracted from <u>Comparative Connections</u>: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: Sheila A. Smith and Charles McClean, "US-Japan Relations: The US and Japan Build Multilateral Momentum," *Comparative Connections*, Vol. 25, No. 1, pp 25–32.

Trilateral consultations began early in the Biden administration, and after the election of President Yoon Suk Yeol last spring, the groundwork for resolving the many difficulties in the bilateral relationship began. This spring, President Yoon and Prime Minister Kishida revealed their progress in a set of visits to each other's capitals. A trilateral summit is planned for the G7 Summit, which Yoon will attend as an observer.

Overshadowing this active multilateral calendar is the continuing war in Ukraine. Both Kishida and Biden have visited President Volodymyr Zelenskyy in his capitol. The United States and Japan remain stalwart supporters of the Ukrainian defense effort as Ukrainians prepare for the spring counteroffensive against Russian forces. Yet <u>questions have arisen</u> within the US Congress over the scale and duration of military aide provided to Zelenskyy. Interestingly, there remains little doubt about the Kishida Cabinet's support of Ukraine. While Japan does not provide lethal aid, it has joined in solidarity with European nations to <u>contribute</u> to the complex humanitarian relief needed by the Ukrainian people.

Political choices will also shape the remainder of the year. President Biden on April 25 <u>announced</u> his run for a second term in the 2024 election. The Republican field of candidates begins to emerge with former UN Ambassador Nikki Haley officially <u>declaring</u> her candidacy on Feb. 14, and Florida Gov. Ron DeSantis, while not yet official, has been the <u>center of media attention</u>. Former President Donald Trump has already begun his rallies, having <u>announced</u> his candidacy on Nov. 15. In Tokyo, talk of a national snap election continues, with the latest rumors suggesting that Kishida, coming off his party's good showing in local elections in April, might opt for a ballot after the G7 Summit in Hiroshima.

Prepping for the G7 Summit

Early in the year, Kishida began consultations with other G7 partners for the next summit to be held in Hiroshima from May 17–19. As host, Japan will set the agenda for the meeting, and the prime minister aimed to highlight his home constituency as a gathering place for global leaders. Traveling first to Europe and then to North America, Kishida met the French president and Italian, British, and Canadian prime ministers before his final stop at the White House for talks with Biden. High on the agenda, of course, was rallying global support for Ukraine. Kishida then <u>visited</u> Ukraine in March, quietly traveling there from India where he had met with Prime Minister Narendra Modi. While in Kyiv, Kishida pledged to provide additional aid and create a "<u>Special Global</u> <u>Partnership</u>" between Japan and Ukraine. In addition, he invited President Zelenskyy to speak to the G7 leaders at the summit.



Figure 1 Prime Minister Kishida is preparing for the G7 Summit in Hiroshima, May 17-19. Photo: Kyodo News

There are other aims as well. Notably, Japan intends to highlight the repercussions to the Global South of the war in Ukraine. Kishida <u>traveled</u> to Africa on a week-long trip beginning April 29 to offer assistance to those suffering from the global hike in food and energy prices caused by the war. Similarly, Tokyo will be looking to engage developing countries to ensure they avoid becoming over-dependent on Chinese largesse. On May 1, during his meeting with Ghanaian President Nana Addo Dankwa Akufo-Addo, Kishida <u>pledged</u> \$500 million in financial support to Africa.

The Japanese prime minister will have Indo-Pacific security balance on his mind as G7 leaders gather in Japan. As Kishida made clear throughout last year, a similar conflict is easily imaginable in the Indo-Pacific as cross-Strait tensions between China and Taiwan have Gaining intensified. deeper European understanding of the strategic challenges posed by China will be high on his priority list even though some European nations, such as France and Germany, see economic ties with China as indispensable, especially as sanctions on Russia have been costly.

Finally, Kishida will have the opportunity to remind the world of the nuclear risk. Last year, Ambassador to Japan Rahm Emanuel <u>represented</u> the United States in visits to peace memorial ceremonies in Hiroshima on Aug. 6 and Nagasaki on Aug. 9. A visit by Biden and other G7 leaders to the Hiroshima Peace Park, and possibly to the Nagasaki Peace Park, will further highlight the consequences of nuclear weapons and provide a platform for global condemnation of the threat to use them again.

US-Japan Regional Cooperation

The Biden and Kishida governments have continued to expand their regional agenda. Striking this spring was progress made in improving trilateral US-Japan-South Korea ties. Security cooperation began in the early months of the Biden administration in 2021 and gained momentum with the election of South Korean President Yoon last year. This year consultations deepened. Foreign ministers met on the sidelines of the Munich Security Conference, where the three democracies <u>restated their joint</u> <u>condemnation</u> of recent North Korean missile tests. Further progress is expected at a trilateral leaders' meeting to be held during the Hiroshima G7 Summit.

Nonetheless, concerns over US extended deterrence in South Korea prompted a significant statement of reassurance during the state visit of President Yoon to Washington in April. Wowing the White House gathering with his rendering of Don McLean's classic song, "American Pie," Yoon also gained a clear statement of the US commitment to South Korean defenses in the so-called "Washington Declaration." Speaking during a joint press conference in the Rose Garden, Biden said that "a nuclear attack by North Korea against the United States or its allies or partners is unacceptable and will result in the end of whatever regime to take such an action." In return, Biden received Yoon's reassurance of South Korea's commitment to the Nuclear Non-Proliferation Treaty.

Strategic stability on the Korean Peninsula has a significant impact on Japan as well, and North Korean missile tests continued to make it clear that a robust trilateral agenda of security cooperation was all the more necessary. The new <u>National Defense Plan</u> put forward by Prime Minister Kishida <u>suggests</u> an early purchase of counterstrike capabilities, ensuring that Japan,

like South Korea, will have its own conventional deterrent. But close coordination between Tokyo, Seoul, and Washington will be indispensable. US Special Representative for the DPRK Sung Kim, Japanese Director-General of the Asian and Oceanian Affairs Bureau Funakoshi Takehiro, and South Korean Special Representative for Korean Peninsula Peace and Security Affairs Kim Gunn met in Seoul on April 7 and <u>called for joint efforts</u> to block North Korea from sending workers abroad and engaging in malicious cyber activities to fund its nuclear program.



Figure 2 US Special Representative for the DPRK Sung Kim, Japanese Director-General of the Asian and Oceanian Affairs Bureau Funakoshi Takehiro, and South Korean Special Representative for Korean Peninsula Peace and Security Affairs Kim Gunn hold a trilateral meeting to address North Korean affairs. Photo: Willy Kurniawan/Reuters

Most welcome, of course, has been the accompanying improvements in bilateral ties between Tokyo and Seoul. Washington has been supportive of the bilateral diplomacy that produced first Yoon's visit to Tokyo on March 16 and then Kishida's visit to Seoul on May 7. The former produced a Japanese commitment to improve favorable treatment of South Korean companies under the export control laws. Progress made by the Yoon administration on ensuring compensation for the plaintiffs in the Supreme Court forced labor decision has also been a major signal of progress. On April 17, Japan and South Korea held their first bilateral security dialogue in five years. Finally, Kishida's visit suggested far greater cooperation on strengthening supply chain resilience and advancing high-tech industries will be coming in the months ahead. President Yoon's attendance at the G7 Summit will provide the opportunity for US-Japan-South Korea leaders to move their agenda forward, with Yoon hinting in press remarks that the leaders might

use the meeting to form a new trilateral security forum. Media reports also suggest that the three countries hope to reach an agreement on <u>linking</u> <u>radar systems</u> to better detect North Korean missiles when their defense ministers meet in Singapore in early June.

The US and Japan have continued their cooperation in the Quad. The Quad foreign ministers <u>met</u> in New Delhi on March 3 in preparation for the leaders' summit <u>planned</u> for May 24 in Australia. Already, Quad working groups have produced considerable progress across a host of issues. From April 10–14, the US, Japan, Australia, and India hosted the <u>Quad</u> <u>Cyber Challenge</u>, a coordinated campaign to <u>promote</u> responsible cyber habits across corporations, schools, and individuals in the four nations.

And, the US and Japan are joining with the Philippines to deepen security cooperation. On April 5, Chief Cabinet Secretary Matsuno Hirokazu announced Japan would begin to offer bilateral Overseas Security Assistance to help smaller Indo-Pacific nations strengthen their defenses. One of the <u>first candidates</u> will be the Philippines. A month earlier, the Japanese Self-Defense Force (SDF) participated in the annual US-Philippine Salaknib military exercises as an observer to encourage a more formal role for the Japanese SDF participation in contributing to stability in the South China Sea. This pattern of inviting Japan to join bilateral military exercises with allies proved successful in expanding Japanese security cooperation with Australia and then India in the 2000s, and ultimately to a Quad dialogue on maritime and other regional security needs. Already, media reports suggest that the US, Japan, and the Philippines are planning to create a trilateral consultative mechanism for their national security advisors.

Politics in the Air

Kishida faced a <u>series of challenges</u> toward the end of 2022. His decision to host a state funeral for former Prime Minister Abe Shinzo <u>sparked</u> <u>controversy</u>, while <u>growing public discontent</u> arose over Kishida's management of the LDP's connections with the Unification Church. The resignation of four Cabinet members due to their ties with the church and other scandals <u>added</u> to the mounting pressure on Kishida's leadership. Some polls even indicated that Kishida's approval rating, which had already been on a <u>declining trajectory</u>, had fallen below 30%, entering the so-called "<u>danger zone</u>" where prime ministers face the risk of losing office.

But Kishida has seemingly bounced back with the start of 2023. His support rating has steadily climbed, with one *Nikkei* poll in late April finding that support for the prime minister <u>surpassed</u> 50% for the first time in eight months.

What factors contributed to this successful turnaround in public support? Some of it can likely be attributed to Kishida's vigorous engagement in high-profile diplomacy in the leadup to the G7 Summit in Hiroshima, including visits to France, Italy, United Kingdom, Canada, United States, India, Ukraine, Poland, Egypt, Ghana, Kenya, Mozambique, and South Korea.

Kishida has also benefitted from positive developments on the domestic front. His ruling coalition performed better than anticipated in the unified local elections and parliamentary by-elections held in April. While the LDP and it coalition partner Komeito experienced some setbacks in the two rounds of local elections on April 9 and 23, they <u>managed to secure victories</u> for most of their preferred candidates. Notably, the regionally based Nippon Ishin no Kai emerged victorious in several races such as the Osaka and Nara gubernatorial contests, demonstrating their growing influence.

However, it was the LDP's better-than expected performance in the five parliamentary byelections on April 23 that was particularly significant for the Kishida government. Although Kishida had set a target of winning three out of five seats, LDP-backed candidates exceeded expectations by securing four victories. These by-elections witnessed triumphs by more traditional LDP candidates in party strongholds like Yamaguchi, where Yoshida Shinji claimed the seat previously held by the late former Prime Minister Abe, and Kishi Nobuchiyo won the district formerly represented by his father and Abe's brother, Kishi Nobusuke, who resigned due to illness. But these races also <u>saw the emergence</u> of new types of LDP candidates such as Arfiya Eri, who will become the first Japanese parliamentarian of Uyghur descent.

Support for Kishida further <u>increased</u> after he <u>survived</u> an assassination attempt against him

on April 15. While Kishida was delivering a stump speech at a fishing port in Wakayama, an assailant hurled an explosive device at him, but he managed to escape unharmed. The incident evoked memories of the assassination of former Prime Minister Abe, who was shot and killed less than a year ago on July 8, 2022, during an Upper House campaign event in Nara. The attack on Kishida again raised questions about the security measures for Japanese politicians, as well as for world leaders attending the upcoming G7 Summit. Kishida attempted to promptly reassure the public by immediately returning to the campaign trail, declaring, "We are in the middle of an important election for our country. We must carry this on together."



Figure 3 A man is detained by police after throwing an explosive device towards Prime Minister Kishida, who was unharmed during the incident. Photo: AP

With the upswing in Kishida's support rating, speculation has arisen about the possibility of a <u>snap election</u> for the Lower House. Kishida must call a new election by October 2025 at the latest when the term for the Lower House expires. While concerns exist that voters may experience election fatigue after the busy month of April, Kishida is likely <u>contemplating</u> the optimal timing to secure victory at the polls and strengthen his position before the LDP's next party leadership election in September 2024.

Another crucial factor influencing Kishida's decision on election timing is its impact on support for his policy proposals, particularly in terms of how he plans to pay for them. Kishida has made ambitious pledges to double Japan's spending on <u>defense</u> and <u>childcare</u>, but specific details have been limited, causing some <u>confusion</u> about the prime minister's plans for implementation. Opinion polls <u>indicate</u> that the public is <u>not inclined toward new taxes</u>, and Kishida himself has said that he would <u>seek a public mandate</u> through an election before considering any tax hikes.

While Kishida has recently <u>dismissed</u> the possibility of an imminent election, only time will reveal whether this stance changes. Meanwhile, observers will closely monitor the performance of the Kishida administration during the G7 Summit and parliamentary deliberations in June, as it is expected that the government will unveil more information regarding its spending priorities.

As for Biden, his support ratings have largely managed to hold steady at just over 40% through the first few months of the year, but significant challenges lie ahead. As Biden heads to Japan to meet Kishida and world leaders in Hiroshima, domestic concerns will likely be looming large on his mind as the US needs to raise the debt ceiling by June 1 or risk default. The last time the US came within just days of default in 2011, Standard & Poor's downgraded the country's top-tier credit rating for the first time. How the Biden administration handles the issue will have substantial implications for the global economy and will also likely continue to be a point of contention as the president seeks reelection in 2024.

What's Ahead?

The US and Japan have a full diplomatic calendar for the remainder of 2023. Once the G7 is over, the President Biden and Prime Minister Kishida will quickly shift focus to the regional priorities of the Quad. The fall will bring economic priorities to the fore at the G20 and APEC. Close coordination between Tokyo and Washington continues to shape this multilateral emphasis on coping with the global consequences of Moscow's aggression as well as anticipating steps to mitigate the risk of reginal economic strains with Beijing.

Politics will continue to shape expectations of the US-Japan agenda as both Biden and Kishida look to their domestic political calendars. The United States prepares for the presidential election of 2024. With Biden already declared as the Democratic candidate, all attention will be on the Republican field. Gov. DeSantis' visit to Tokyo to discuss trade and especially his meeting with Prime Minister Kishida brought attention to his position on the US-Japan alliance. DeSantis heartily endorsed the alliance and its importance to the United States, a marked contrast to then-candidate Donald Trump in the 2016 election. With Trump already declared as a candidate, it remains to be seen if and when other Republicans will join the race, but expect US foreign policy, particularly strategy toward Russia and China, will be a prominent part of the debate.



Figure 4 US presidential hopeful and Florida governor Ron DeSantis visit Prime Minister Kishida in Tokyo. Photo: Reuters

Prime Minister Kishida has rallied popular support in the early months of 2023. Nikkei Shimbun reported in early May a jump to over 50% public approval rate, four points higher than a month earlier and over 10 points higher than late last year. His diplomatic activism has helped, and the G7 Summit is expected to highlight his role as statesman. The world's expectations of him are evident from his photo on the cover of Time magazine and praise for his statecraft. But not far from the surface in Japan is the violence that now seems to infuse Japanese politics. Abe's assassination last year has been followed by an attack on Kishida, both conducted during political campaign stops. While Kishida was unharmed, these attacks have left many in Japan unsettled, and while rumors of a snap election filter through political circles in Tokyo, the prime minister will need to consider carefully how the Japanese people feel about yet another election.

CHRONOLOGY OF US-JAPAN RELATIONS

JANUARY—APRIL 2023

Jan. 11, 2023: Secretary of State Antony Blinken, Secretary of Defense Lloyd Austin, Foreign Minister Hayashi Yoshimasa, and Defense Minister Yasukazu Hamada <u>hold</u> a US-Japan Security Consultative Committee (2+2) Meeting in Washington, DC. Joint Statement.

Jan. 11, 2023: Secretary Blinken and FM Hayashi <u>meet</u> on the sidelines of the US–Japan Security Consultative Committee.

Jan. 12, 2023: US and Japan <u>host</u> fifth Indo-Pacific Business Forum in a hybrid format in Tokyo.

Jan. 13, 2023: President Biden and Prime Minister Kishida <u>meet</u> in Washington, DC. <u>Joint</u> <u>Statement</u>.

Jan. 13, 2023: Vice-ministerial meeting of the Japan-US Economic Policy Consultative Committee (Economic 2+2) is <u>held</u> in Washington, DC.

Jan. 13, 2023: US and Japan <u>sign</u> the US-Japan Space Cooperation Framework Agreement at NASA Headquarters in Washington, DC.

Jan. 27, 2023: Japan and the Netherlands <u>agree</u> to join the US in barring some shipments of their chip technology to China.

Feb. 8, 2023: US, Japan, Australia, and India <u>announce</u> the Quad Cyber Challenge.

Feb. 9, 2023: Japan and the US <u>hold</u> the inaugural US-Japan Strategic Dialogue on Democratic Resilience in Tokyo.

Feb. 13, 2023: Deputy Secretary of State Wendy Sherman, Vice Minister for Foreign Affairs Mori Takeo, and South Korean First Vice Minister Cho Hyundong <u>meet</u> in Washington, DC. <u>Joint</u> <u>Statement</u>.

Feb. 14, 2023: Deputy Secretary Sherman and Vice FM Mori <u>meet</u> in Washington, DC.

Feb. 18, 2023: G7 Foreign Ministers <u>meet</u> in Munich, Germany.

Feb. 18, 2023: Secretary of State Blinken, FM Hayashi, and South Korean Minister of Foreign Affairs Park Jin <u>meet</u> on the sidelines of the Munich Security Conference in Germany.

Feb. 20, 2023: Prime Minister Kishida <u>meets</u> US Congressional Study Group of Japan in Tokyo.

Feb. 21, 2023: FM Hayashi <u>meets</u> with US Sen. Tammy Duckworth in Tokyo.

Feb. 23, 2023: Newspaper reports <u>suggest</u> Taiwan Semiconductor Manufacturing Co. (TSMC) plans to construct a second chipmaking plant in Japan in southwestern Kumamoto.

March 3, 2023: Secretary of State Blinken, FM Hayashi, Australian Minister for Foreign Affairs Penny Wong, and Indian Minister of External Affairs Subrahmanyam Jaishankar <u>hold</u> a US-Japan-Australia-India (Quad) Foreign Ministers' Meeting in New Delhi, India.

March 3, 2023: Secretary of State Blinken and FM Hayashi <u>meet</u> on the sidelines of the US-Japan-Australia-India (Quad) Foreign Ministers' Meeting in New Delhi, India.

March 6-7, 2023: 13th US-Japan Policy Cooperation Dialogue on the Internet Economy is <u>hosted</u> in hybrid format by the US.

March 13, 2023: Japan <u>participates</u> as observer for the first time in the annual US-Philippines *Salaknib* Exercises.

March 14, 2023: Special Presidential Envoy for Climate John Kerry <u>hosts</u> a virtual ministerial meeting of the Major Economies Forum (MEF) on energy and climate.

March 15, 2023: VFM Affairs Mori and Deputy Secretary of State Sherman <u>speak</u> by telephone.

March 16, 2023: Prime Minister Kishida <u>meets</u> with Korean President Yoon Suk Yeol in Tokyo.

March 19, 2023: G7 foreign ministers <u>release</u> a statement on the launch of an intercontinental ballistic missile by North Korea.

March 21-23, 2023: Prime Minister Kishida <u>visits</u> Ukraine to meet President Volodymyr Zelenskyy.

March 28, 2023: Media reports suggest the US, Japan, and Philippines <u>plan</u> to create a trilateral framework involving their national security advisers.

March 29, 2023: FM Hayashi <u>meets</u> with Colorado Gov. Jared Polis in Tokyo.

April 5, 2023: Japan <u>announces</u> it will offer Overseas Security Assistance (OSA) to help countries boost their defenses, with Chief Cabinet Secretary Matsuno Hirokazu <u>saying</u> the first recipients are likely to include the Philippines, Malaysia, Bangladesh, or Fiji.

April 6, 2023: US, Japan, Cambodia, Lao PDR, Thailand, and Vietnam <u>release</u> the Japan–US– Mekong Power Partnership (JUMPP) Action Plan at the Friends of the Mekong Senior Officials Meeting in Vientiane.

April 6, 2023: Ground Self-Defense Force helicopter with 10 personnel aboard <u>crashes</u> into waters near Okinawa.

April 7, 2023: US Special Representative for the DPRK Sung Kim, Japanese Director-General of the Asian and Oceanian Affairs Bureau Takehiro Funakoshi, and South Korean Special Representative for Korean Peninsula Peace and Security Affairs Kim Gunn <u>meet</u> in Seoul.

April 9, 2023: Japan <u>holds</u> the first round of the unified local elections.

April 10-14, 2023: US, Japan, Australia, and India hold the Quad Cyber Challenge.

April 14, 2023: Assistant Secretary of Defense for Indo-Pacific Security Affairs Ely Ratner, Director General for Defense Policy Masuda Kazuo, and Korean Deputy Minister for National Defense Policy Heo Tae-kun <u>hold</u> the 13th Defense Trilateral Talks in Washington, DC.

April 15, 2023: A suspect is <u>arrested</u> after allegedly throwing an explosive device at Prime Minister Kishida in an assassination attempt.

April 16-18, 2023: G7 Foreign Ministers' Meeting is <u>held</u> in Karuizawa, Nagano.

April 17, 2023: FM Hayashi and Secretary Blinken <u>meet</u> on sidelines of the G7 Foreign Ministers' Meeting. <u>Communique</u>.

April 17, 2023: Prime Minister Kishida <u>meets</u> US Special Presidential Envoy for Climate John Kerry in Tokyo.

April 17, 2023: Japan and South Korea <u>hold</u> bilateral security dialogue for the first time in five years.

April 18, 2023: US First Lady Jill Biden <u>meets</u> Japanese First Lady Kishida Yuko in Washington, DC.

April 18, 2023: Prime Minister Kishida <u>meets</u> with Secretary of State Blinken in Tokyo.

April 19, 2023: FM Hayashi <u>meets</u> with US Trade Representative Katherine Tai in Tokyo.

April 23, 2023: Japan <u>holds</u> second round of the unified local elections and by-elections for five seats in the national Parliament.

April 24, 2023: Prime Minister Kishida <u>meets</u> Florida Gov. Ron DeSantis in Tokyo.

April 24, 2023: Foreign Minister Hayashi <u>meets</u> with DeSantis in Tokyo.

April 26, 2023: Deputy Secretary of Defense Kathleen Hicks and Under Secretary of Defense for Policy Colin Kahl <u>meet</u> with Vice-Minister of Defense Suzuki Atsuo at the Pentagon.

April 27, 2023: Prime Minister Kishida <u>meets</u> with Virginia Gov. Glenn Youngkin in Tokyo.

April 27, 2023: President Biden <u>meets</u> with South Korean President Yoon in Washington, DC.

April 28, 2023: FM Hayashi and Secretary of Commerce Gina Raimondo <u>speak</u> by telephone.

PACIFIC FORTUR CONNECTIONS

A TRIANNUAL E-JOURNAL OF BILATERAL

RELATIONS IN THE INDO-PACIFIC

US-CHINA RELATIONS

US-CHINA EFFORT TO SET "GUARDRAILS" FIZZLES WITH BALLOON INCIDENT

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The proposed "guardrail" that Joe Biden and Xi Jinping sought to erect last fall in Bali failed to emerge in the bitter aftermath of a wayward Chinese surveillance balloon that overflew the United States and violated its sovereignty. Though Antony Blinken and Wang Yi met on the sidelines of the Munich Security Conference afterward, aspersions cast by each side against the other, including a series of disparaging Chinese government reports, fed the chill in ties. Taiwan President Tsai Ing-wen's meeting with House Speaker Kevin McCarthy during the return leg of her US transit added to bilateral and cross-strait tensions and were met with Chinese sanctions. Issues pertaining to Taiwan, be it arms sales or a speculated Chinese invasion date of the island, remained contentious. The administration's attempt to restart constructive economic reengagement with China, including via an important speech by US Treasury Secretary Janet Yellen, appears to have fallen on deaf ears in Beijing.

This article is extracted from <u>Comparative Connections</u>: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: Sourabh Gupta, "US-China Relations: US-China Effort to Set "Guardrails" Fizzles with Balloon Incident," *Comparative Connections*, Vol. 25, No. 1, pp 33-46.

Following the Biden-Xi meeting on Nov. 14 on the sidelines of the G20 Leaders Summit in Bali, Indonesia, US-People's Republic of China relations were transitioning to an improving track-or so it seemed. US Defense Secretary Lloyd Austin met with his Chinese counterpart, Defense Minister Wei Fenghe, on the sidelines of the ASEAN Defense Ministers" Meeting-Plus meeting in Cambodia on Nov. 22. On Dec. 11-12, US Assistant Secretary of State for East Asian and Pacific Affairs Daniel Kritenbrink held "candid, in-depth and constructive" talks in Beijing. On Jan. 18, Secretary Yellen had a "candid, substantive, and constructive conversation" with departing Vice-Premier Liu He in Zurich ahead of the World Economic Forum in Davos. Hours before Secretary Blinken was due to board a flight to Beijing on Feb. 3, which would have been the highest-ranking contact between the two sides since the Bali meeting, the budding rapprochement came to a screeching halt.

Wayward Balloon Blows Bilateral Ties Off-Course

Two days earlier, on Feb. 1, a high-altitude balloon was spotted in the sky over Billings, Montana; it was followed by a Department of Defense statement and a background briefing the next day identifying it as a high-altitude surveillance balloon of PRC provenance. A second balloon had also been spotted over Latin America. The Chinese foreign ministry was quick to admit responsibility on Feb. 4, confirming the "unintended entry of a Chinese unmanned airship into US airspace due to force With "limited majeure." self-steering capability," the airship had apparently "deviated far from its planned course"—a claim a US official speaking on background appeared to validate on Feb. 15. The planned track would have taken the balloon over Hawaii and Guam, home to key US military installations—speaking in turn to the balloon's defense surveillance purpose. The Feb. 4 Chinese statement observed however that the airship was a "civilian" one "used for research, mainly meteorological, purposes," and that China had "no intention of violat[ing]...the territory or airspace of any sovereign country." The balloon's flight over US airspace was, after all, a violation of the territorial sovereignty of the United States as well as of Article 3 of the Convention on International Civil Aviation ("no state aircraft of a contracting state shall fly over the territory of another state...without authorization"). Privately, an expression of regret was tendered to US counterparts—one that was <u>acknowledged</u> by a senior State Department official at the time of protesting the incursion and announcing the postponement of the Blinken visit.



Figure 1 Sailors of the US Navy assigned to Explosive Ordnance Disposal Group 2 recover a high-altitude surveillance balloon off the coast of Myrtle Beach, South Carolina on Feb. 5, 2023, after it was shot down. Photo: US Department of Defense, Public Domain

Regret turned to anger in Beijing, however, when the balloon was downed by an F-22 fighter jet on Feb. 4 and significant portions of its payload retrieved from within US territorial waters off the coast of South Carolina (the balloon overflew the entire continental United States). This "use of force [was a] clear overreaction serious violation and of practice"—although international not necessarily of law, Beijing protested, pointing presumably to the US's alleged excessive use of force against a civilian airship in distress (Article 3 bis of the aforementioned Chicago Convention). Beijing also charged that Washington had flown high-altitude balloons "over Chinese airspace over 10 times without authorization" since 2022-which begged the question why these intrusions were never formally protested by the Chinese military which controls the airspace. A US proposal for a telephone call between the US and Chinese defense chiefs to maintain lines of communication was declined, as per a communication on Feb. 8.

In the days and weeks following the incident, it emerged that both China and the United States maintain high-altitude balloon programs to exploit the domain of "near space" in the upper atmosphere (above 18 km or approximately 60,000 feet) for aerial surveillance, signals intelligence, and communications intercept purposes. Unlike satellites, balloons are quieter to launch and can loiter over a given location for extended durations and <u>bridge a "capability gap</u> between aircraft and satellites." There is no record of the US Army's Space and Missile Defense Command (USASMDC) flying highaltitude balloons into another country's airspace, however, and as per an <u>internal memo</u> such military-operated or -commissioned balloons "are state aircraft under international law subject to the same requirements as other state aircraft." This does invite the question whether US retrieval of the downed balloon's payload, even in its own territorial waters, was a <u>breach of the sovereign immune status</u> of the airship.

Be that as it may, it has become increasingly clear that the Chinese "unmanned airship" was no mere civilian meteorological airship. It was 200-feet tall with solar panels, weighed more than 2,000 pounds, and was bristling with "a surveillance payload the size of a regional passenger jet." For US intelligence agencies, the flight of the balloon was no surprise either. They had been aware of up to four additional Chinese spy balloons over recent years, as per a confidential National Geospatial-Intelligence Agency (NGA) document that surfaced in the course of the Discord Leaks. The document states though that the government "has no imagery collection of the bottom of the [latest balloon's] payload to analyze for an optical sensor," suggesting a lack of detailed conclusions about the balloon's surveillance capabilities and inviting questions regarding the decision to allow it to overfly the country. From the get-go though, President Biden was forthright that the shootdown decision was intended first, to protect lives beneath and thereafter to send a clear message that the "violation of our sovereignty is unacceptable." He said he would be speaking to President Xi. That call has yet to materialize. At this time, Secretary Blinken's postponed visit to Beijing is on hold as well.

Munich Security Conference Sets the Stage

Secretary Blinken and Wang Yi, director of the Office of the Central Commission for Foreign Affairs, did meet on the sidelines of the 59th Munich Security Conference in Germany on Feb. 18. The Chinese were quick to emphasize in their readout that the meeting was held at the <u>request of the US side</u>. The balloon incident, the Ukraine conflict, and peace and stability across the Taiwan Strait were key topics of the meeting. The <u>US readout</u> additionally underscored the

importance of maintaining diplomatic dialogue and open lines of communication at all times. Whatever political traction the Munich meeting might have generated was quickly dissipated however by a "low confidence" but headlinemaking classified assessment by the US Energy Department, reported in The Wall Street Journal on Feb. 26, that the COVID-19 pandemic likely originated with a leak from a Chinese laboratory. The department had previously been undecided on the origins of the pandemic. Compounding this assessment was yet another intelligence report, dated late February and publicized soon after by Secretary Blinken, that China was actively considering providing weapons and ammunition to aid Moscow in its fight in Ukraine. Even though President Biden stepped in to <u>refute the charge</u>, saying that he did not expect China to send weapons to Russia in an interview with ABC News, the damage was done. In April, it emerged as part of the Discord Leaks that the Russian paramilitary group Wagner had sought munitions and equipment from China but was brushed aside. To date, no known sale of lethal arms has been made or found on the battlefield.

The Munich Security Conference also set the stage for a breakout moment in Chinese diplomacy. With a view to distancing itself from the stigma of its "no limits" characterization of ties with Russia and begin repairing its frayed relations with Europe, Wang Yi reached out directly in his <u>conference keynote speech</u> to the gathered Europeans. "China are Europe are two major forces, markets and civilizations in an increasingly multipolar world...if we choose peace and stability, a new Cold War will not break out," he observed. The speech was followed by a 12-point policy statement listing "China's Position on the Political Settlement of the Ukraine Crisis" and the lending of its good offices to facilitate peace talks. This diplomatic facilitation was met with extreme skepticism in the West (although not by President Zelenskyy in Kyiv), especially in the wake of President Xi's state visit to Moscow in late-March. On April 26, President Xi spoke with Zelenskyy for the first time since the outbreak of the Russia-Ukraine war and promised to "send the Special Representative of the Chinese Government on Affairs...to Eurasian have in-depth communication with all parties on the political settlement of the Ukraine crisis." It remains to be seen what Li Hui, a fluent Russian speaker and ex-ambassador to Moscow, can produce on the peace facilitation front, but after Beijing's

surprising foray into Middle East relationship management featuring the Saudis and the Iranians, the effort cannot be entirely dismissed as a sham.

In parallel with its diplomatic audacity on the Ukraine front, the Chinese foreign ministry also laid out the core principles of President Xi Jinping's Global Security Initiative (GSI), in a concept paper on Feb. 21. The GSI was first proposed by Xi at the Boao Forum in April 2022, two months after Russia's aggression in Ukraine and presumably to forestall the splintering of major power international relations into a blocbased format. The GSI's contents are primarily the standard Five Principles of Peaceful Coexistence fare, backed by 20 priority themes of cooperation. Not done yet with grand initiatives, on March 15, Xi unveiled a Global Civilization Initiative (GCI) to attendees at a High-level Dialogue between the Communist Party of China and World Political Parties.

The turbulent February period in US-China relations was also notable for an extraordinary series of bitter and denunciatory Chinese government reports, berating the United States for its drug abuse, gun violence, hegemonistic tendencies, and economic polarization. In the run-up to and during the Biden administrationled Summit for Democracy in late-March, the focus of disparagement was directed at the US state of democracy, its human rights violations, and arbitrary detention and home and abroad. This descent into smearing begs the question: would these reports and papers have been issued the budding rapprochement—and, if specifically, Secretary Blinken's visit-had not been blown off-course by China's wayward balloon? Constructive engagement and bitter diatribes don't sit well together, one would imagine. "Zhong Sheng," a homonym for "voice of China" and used by the *People's Daily* to communicate the CCP's views on international affairs, also remained active in its inimitable anti-American style, including in editorials prior to the postponement of Blinken visit.

Tsai-McCarthy Meeting Ruffles China's Feathers

The other major development in US-China relations during the first trimester of 2023 was the meeting between Taiwan President Tsai Ing-wen and the Speaker of the US House of Representatives, Kevin McCarthy (R-California) at the Ronald Reagan Presidential Library in

Simi Valley, California, during her transit on US soil on her trip to Guatemala and Belize. Transits by Taiwan's leaders are hardly unusual; Tsai's was the 29th such transit by a sitting Taiwanese president. Slightly more unusual was the duration of the transit—the length of the visit seemed more like a "private visit" than a "transit" (the former being disallowed as a norm by the US government since 1995). Tsai stopped in New York City from March 29-31 where she received the Hudson Institute's Global Leadership Award; on her return leg from April 4-6, she was met by Speaker McCarthy and a host of Congresspersons and policy experts at the Reagan Library. Both institutions and their leaders were promptly sanctioned the day after her return by China's foreign ministry under its Anti-Foreign Sanctions Law for facilitating "Taiwan Madame Tsai's independence' separatist activities" in the US. A number of Taiwanese organizations and government representative were also sanctioned. Later in April, in the rare instance of a senior US Congressperson being sanctioned, US Rep. Michael McCaul (R-Texas), chair of the House Foreign Affairs Committee, was barred from entry into China under the Anti-Foreign Sanctions Law for drawing a comparison between Xi Jinping and Adolf Hitler during his meeting in Taipei with Taiwan's vice president.



Figure 2 Taiwan President Tsai Ing-wen (meets with US House Speaker Kevin McCarthy on April 5, 2023 at the Ronald Reagan Presidential Library. Photo: Twitter/@SpeakerMcCarthy

The most precedent-worthy aspect of the Tsai transit was her meeting with McCarthy—the first such meeting between Taiwan's President and a House speaker on US soil. Previous speakers have placed phone calls to transiting Taiwanese presidents and even participated in events hosted on Capitol Hill by Taiwan's representative office in Washington, D.C.; none had met him or her in person. Still, one ought not make too much of the in-person meeting on US soil, especially since prior speakers paid visits to Taipei—Newt Gingrich in April 1997; Nancy Pelosi more recently in August 2022. On balance, Beijing appeared to bow to this reality. While working up indignation to protest McCarthy's meeting with Tsai, the People's Liberation Army's (PLA) military exercises in the Taiwan Strait and East China Sea were a shadow of the August 2022 maneuvers conducted after the Pelosi visit—be it in terms of their provocation, intensity, or sophistication.

In August 2022, the PLA declared six closure zones around the island, blocked maritime trade for an entire week, and fired ballistic missiles over Taiwan, some of which landed in Japan's exclusive economic zone (EEZ). This time, the drills lasted three days and Beijing refrained from imposing a ring of missile-landing zones. The April 2023 drills, a combination of combat readiness patrols, joint air and sea operations, and live fire exercises off China's Fujian province, also did not replicate the multistage war plan—firepower campaign, blockade, and invasion-executed after the Pelosi visit. The drills did not stray into Taiwan's territorial waters either. That said, the PLAAF did fly a single-day record number of sorties during the three-day exercises, conducted numerous median line crossings, and the PLAN deployed its aircraft carrier, Shandong, to the East China Sea 230 km south of Japan's Miyako Island in the Okinawa chain. To display resolve and restore deterrence, the USS Milius, a guidedmissile destroyer, conducted a Taiwan Strait transit in international waters on April 16, the first such naval operation through the waterway since early January. In a rarer occurrence, a US Navy P-8A Poseidon maritime patrol and reconnaissance aircraft transited the Strait in international airspace on April 28. The last time a US warplane had overflown the Taiwan Strait was on Feb. 28, and before that only on June 24, 2022.

McCarthy has not ruled out a visit to Taiwan during his tenure as speaker of the 118th Congress. It is hard to see him do so in 2023, given the island's cramped presidential election calendar. For its part, China managed to engineer the diplomatic defection of the Republic of Honduras from Taipei a mere few days before Tsai's New York City stopover, with Tegucigalpa vowing in the Joint Communique that "<u>Taiwan is an inalienable part</u> of [the People's Republic of] of China's territory." This pattern of poaching has form. Two days after Tsai returned from her California and Texas transits in August 2018, China <u>scooped El</u> <u>Salvador</u> up. It is worth noting that the Central American countries, including El Salvador and Honduras, had been Taipei's staunchest backers at the San Francisco Peace Conference that seven decades ago set in train the geostrategic architecture of the Asia-Pacific region. Today, Guatemala and Belize are Taiwan's only remaining diplomatic partners in Central America.

Taiwan at the Epicenter, Including in US Senior The Taiwan question was also at the center of US-PRC relations during this period—in no small part due to the incessant focus within the Beltway and beyond on the timing of a putative Chinese attack on the self-governing island. This fixation was kicked off by ex-US Indo-Pacific Command (USINDOPACOM) head, retired Adm. Philip Davidson, in March 2021 when—in testimony before the US Senate Armed Services Committee-he observed that the People's Republic could take control of Taiwan "in the next six years." Davidson attempted to walk back his observation somewhat, noting in an interview later that October that he had spoken as a strategist and not in his "role as the INDOPACOM commander" that day in March. Still, the 2027 timeline—labeled the "Davidson window"— spawned a cottage industry of invasion date speculation, including by senior uniformed officers. In October 2022, Adm. Mike Gilday, chief of naval operations, said that the US needed to prepare for possible action as early as 2023 and in January this year, Gen. Mike former deputy Minihan. Indo-Pacific commander, predicted that the US and China would probably go to war in 2025. To put a damper on such "guessing" talk, Adm. John Aquilino, commander of US forces in the Indo-Pacific-testifying before the Senate Armed Services Committee on April 20-declined to endorse any timeline of attack and focused his remarks on deterring "bad choice[s]" by China and President Xi.

Earlier in March, senior Biden administration civilian officials, testifying before Congress and elsewhere, had sought to inject greater depth and nuance to this invasion and unification hypothesis. At a <u>Senate hearing</u> on "evaluating US-China policy in the era of strategic competition," Assistant Secretary of Defense for Indo-Pacific Security Affairs Ely Ratner observed that an invasion of Taiwan was not "imminent or inevitable." The US and Taiwan can certainly "get to the end of this decade without [the People's Republic] committing maior aggression against Taiwan," he maintained. During testimony on Capitol Hill in early March, Director of National Intelligence (DNI) Avril Haines, assessed that Beijing did not want to go to war. It would only opt for war if "they believe peaceful unification is not an option," she postulated. More broadly, Beijing was still invested in "preserving stability in its relationship with the United States," despite sharp criticism of Washington by Xi at the "Two Sessions" meeting that coincided at that time. (The Two Sessions meeting itself did not produce any new policy initiatives or phraseology on Taiwan, sticking instead to a recitation of well-worn positions.) Separately, in April, William Burns, Director of the Central Intelligence Agency (CIA), chimed in during an appearance at Rice University's Baker Institute that there was no evidence to suggest that Xi had made a decision to invade Taiwan. While he is utterly committed to unification and had instructed the PLA to be ready by 2027 to successfully invade Taiwan, "being ready does not mean that he's made the decision to go to war in 2027 or 2028 or 2026, but it's something that we need to take very seriously as well," Burns noted.

US arms sales to Taiwan continued on their set path during the first trimester of 2023. On March 1, Congress received notification of potential sale of \$619 million worth of F-16 fighter jet munitions, including 100 AGM-88B Anti-Radiation High-Speed Missiles (HARM), 200 AIM-120C-8 Advanced Medium Range Air-to-Air Missiles (AMRAAM), four AIM-120C-8 AMRAAM guidance systems, and 26 LAU-129 multipurpose launchers. Once approved by Congress, the package would mark the first sale to Taiwan of AIM-120C-8 missiles, which are fielded on advanced US jets and feature a greatly increased range over its predecessor. In mid-April, it was reported that a contract with Boeing was issued on Taiwan's behalf by the US Naval Air Systems Command for 400 land-launched Harpoon missiles, completing a deal approved by Congress in 2020. It marks the first sale of the mobile, landlaunched version of the missile; the shiplaunched version already exists within the Taiwanese military's inventory.

The arms sales, while intended to assist the island to maintain a sufficient self-defense capability, don't sit well with Beijing. Beijing moved on its (usually empty) threat to impose sanctions to actually imposing sanctions, however symbolic, on offending parties involved in an arms sale package. Replying to questions on April 18 on the implementation of its Unreliable Entities List Working Mechanism, China's Ministry of Commerce announced that six senior executives from Lockheed Martin and Raytheon Missile and Defense would be barred from entering or working in China, and that the two companies were prohibited from engaging in People's Republic-related import and export activities. Both companies had been placed on the Unreliable Entities List in February, the first instance of placement of any company on that list. In September 2022, Raytheon Missile and Defense had been awarded a \$412 million contract to upgrade Taiwan's military radar as part of a larger \$1.1 billion arms package. Raytheon Technologies, the parent firm which sells its Pratt & Whitney aircraft engine as well as landing gear and controls to China's aviation industry, commercial was not sanctioned. The Wall Street Journal also reported in Feb. that Washington planned to scale up its rotational deployment on the island from 27 troops in December 2022 (as per the Pentagon's Defense Manpower Data Center website) to between "100 and 200 troops...in the coming months." A uniformed US presence on the island is a touchy subject in US-China relations.

There were a number of other notable developments with direct and indirect geostrategic implications for relations with China. On March 13, President Biden flanked by United Kingdom Prime Minister Rishi Sunak and Australian Prime Minister Anthony Albanese in San Diego, listed the AUKUS partnership's project milestones related to Canberra's acquisition of a conventionally-armed, nuclearpowered submarine capability. On March 16, the State Department approved the sale of 220 Tomahawk cruise missiles to Australia, a transfer that would exceed the prescribed payload and range limits of Category I systems listed in the Missile Technology Control Regime (MTCR) Annex. The MTCR maintains a strong "presumption of denial" but not an outright prohibition on such transfers. On April 4, the US and the Philippines announced plans to expand Enhanced Defense Cooperation Arrangement (EDCA) to include <u>four new sites</u>, including ones located in close proximity to the strategically

vital Bashi Channel. On April 26, Biden and South Korea's Yoon Suk Yeol pledged to coordinate more deeply on nuclear response strategy—although not "nuclear share"—on the Korean Peninsula, including establishing a new Nuclear Consultative Group (NCG) to strengthen strategic planning. A US nucleararmed submarine will also dock in South Korea for the first time in over four decades. And finally, also in late-April, the US Defense Department released its Annual Freedom of Navigation Report for Fiscal Year 2022. The People's Republic of China was challenged for the largest number of excessive maritime claims. Freedom of navigation assertions were also conducted in the South China Sea on March 23 (near the Paracel Islands) and on April 9 (near Mischief Reef in the Spratlys) by the US Navy's 7th Fleet, and were met by rebukes from China's Southern Theater Command.

Mixed Messages on Economic Outreach to China

Two important speeches were delivered by senior officials in late-April that bookend the Biden administration's economic approach to China. On April 20, almost exactly a year to the day that she delivered an important speech on "favoring the "friend-shoring" of supply chains to a large number of trusted countries," Treasury Secretary Yellen stepped to the podium and <u>called this time</u> for a "healthy economic engagement that benefits both [the United States and China]." The "world is big enough for both of us," she declared with an outstretched hand, and Beijing and Washington needed to "find a way to live together and share in global prosperity." National Security Advisor Jake Sullivan was less charitable in remarks a week later, noting that Beijing had become neither "more responsible or cooperative, and ignoring economic dependencies that had built up over decades of liberalization had become really perilous." NSA Sullivan's speech was directed in any case at the US's favored set of "likeminded" friendshoring partners in the developed and developing world; it was not meant as an outreach to China.

The mixed messaging is emblematic of the Biden administration's approach on China. Like fellow Cabinet appointees Gina Raimondo (Commerce) and Katherine Tai (US Trade Representative), Yellen was at pains to stress that the administration had imposed its technology denial measures for national

unfair security and not economic competitiveness reasons, that it was not seeking to stifle China's development or decouple from it, and that she looked forward to travelling to Beijing at the "appropriate time." On the other hand, the steady stream of "economic suppression" measures (in Beijing's eyes) continued unabated. On March 23, the Commerce Department published a proposed rule that sets tall guardrails against the flow of any CHIPS for America Incentives Program money from bleeding into the Chinese semiconductor ecosystem. On March 31, the Treasury Department released proposed guidance on the Inflation Reduction Act's new clean energy vehicles consumer subsidy that will effectively bar Chinese EV's and EV components from the American marketplace. Earlier in March, a number of Chinese firms were <u>consigned to</u> the Commerce Department's Entity List for their contributions to Beijing military-civil fusion strategy as well as surveillance and repression of ethnic minorities in China. It includes the biotech research firm BGI Tech Solutions (entities associated with the high-altitude surveillance balloon program were sanctioned in mid-February, and suppliers of precursor chemicals for fentanyl production placed on the Treasury Department's Specially Designated Nationals and Blocked Persons List in mid-April).



Figure 3 US Treasury Secretary Janet Yellen speaking on US-China economics relations on April 20, 2023 at The John Hopkins University in Washington, DC. Photo: Xiaohang Zhou/Institute for China-America Studies

Executive action is awaited on an outbound investment screening mechanism that will impose a <u>notification requirement or outright</u> <u>bar</u> capital or technology transfer participation in China's semiconductor, artificial intelligence, and quantum computing sectors. And on Capitol Hill, legislative text is being finalized with the administration's assent that will empower the Commerce Secretary to review, block, and mitigate a range of adversary ecommerce platforms and social media applications, including most notably TikTok. The Section 301 tariffs on Chinese imports continue to fester too, although they appear to have done little in narrowing the gargantuan trade deficit with Beijing.

For its part, China has not been sitting still. Though professing to maintain open lines of communication, not a single senior-level economic official visit is on the anvil. China has within the past few weeks opened a cybersecurity review of the US chip firm Micron, rewritten and broadened its espionage law, raided the local office of the US due-diligence firm Mintz Group, let it be known that TikTok's algorithm is covered by China's export control laws and hence unprocurable through foreign acquisition, and is in the process of adding high-performance rare earth magnets to its revised Catalogue of Technologies Prohibited and Restricted from Export to protect "national security" and the "public interest of society." There will be more countermeasures. Moreover, at the Two Sessions meeting in early-March, a root-and-branch institutional reorganization of government focused on the technology, finance and data sectors was instituted, to help compete against and counter US economic suppression measures.

Bali Guardrails-Building on Hold for Now

The balloon incident continues to cast a pall over US-China relations. Beijing remains leery of scheduling high-level meetings with its counterparts, lest the US release the incident report at or immediately after the scheduled meeting and embarrass China by confirming the obvious-that the balloon was no civilian weather airship but a military-commissioned high-altitude surveillance balloon. Even working-level dialogues remain impacted, with the defense side ones in particular—the Defense Policy Coordination Talks; Military Maritime Consultative Agreement Mechanism meetingsunlikely to start anytime soon. That the Pentagon point person for Beijing, Deputy Assistant Secretary of Defense for China, Taiwan and Mongolia Michael Chase, paid a quiet visit to Taipei in February-only the second such visit by a senior defense official in many decades-has added a wrinkle. That said, the balloon incident is likely not the only explanation, though it may be the justification, for China's reticence to talk. With its relations with Brussels thawing and with Washington confronted by financial market instability and recession talk as well as impending debt-ceiling challenges, Beijing may be playing harder to get now that it feels reasonably assured that the US side is genuinely committed to setting a "floor" under the relationship. Where this leaves the erecting of guardrails as envisaged at the Biden-Xi meeting in Bali, only time will tell.

CHRONOLOGY OF US-CHINA RELATIONS

JANUARY—APRIL 2023

Jan. 2, 2023: Chinese Foreign Minister Qin Gang <u>departs</u> Washington after his tenure as Chinese ambassador to the US ends.

Jan. 5, 2023: US 7th Fleet Destroyer USS *Chung-Hoon* <u>transits</u> the Taiwan Strait.

Jan. 9, 2023: A proposed phone call between Secretary of Defense Lloyd Austin and Chinese Defense Minister Wei Fenghe is <u>canceled</u> after the Chinese decline to participate.

Jan. 10, 2023: US House of Representatives votes to <u>establish</u> a Select Committee on Strategic Competition between the United States and the Chinese Communist Party.

Jan. 12, 2023: US Special Climate Envoy John Kerry <u>meets</u> virtually with Chinese counterpart Xie Zhenhua.

Jan. 16, 2023: China <u>conducts</u> live-fire exercises in the South China Sea as the US Navy's *Nimitz* Carrier Strike Group also transits the waters.

Jan. 18, 2023: US Treasury Secretary Janet Yellen has a "candid, substantive, and constructive conversation" with Vice-Premier Liu He on the sidelines of the World Economic Forum in Davos, Switzerland.

Jan. 19, 2023: US Deputy Assistant Secretary of Defense for China Michael Chase <u>speaks</u> to Song Yanchao, deputy director of China's Office for International Military Cooperation, to express US "red-lines" on the Ukraine War ahead of a scheduled visit to China by Secretary of State Antony Blinken.

Jan. 22, 2023: Director of the Office of National Drug Control Policy, Dr. Rahul Gupta, <u>tells</u> the *Financial Times* that his office is increasing pressure on Beijing to crack down on precursor chemicals used to create fentanyl while highlighting the potential for the drug crisis to spread to Europe and Asia.

Jan. 26, 2023: President Biden <u>extends</u> a program that allows for Hong Kong residents to remain in the US, citing the erosion of human rights and freedoms.

Jan. 27, 2023: United States Marine Corps <u>opens</u> a new base on Guam to counter China's presence in the Western Pacific.

Jan. 27, 2023: US Trade Representative <u>appeals</u> two WTO dispute panel rulings brought by China on Section 232 tariffs and on "made in China" designations for Hong Kong to a defunct WTO Appellate Body.

Jan. 27, 2023: Air Force Gen. Mike Minihan warns in a leaked internal memo to US military leadership that the US and China "will fight in 2025" over Taiwan. The Pentagon immediately distances itself from the comments saying they are "not representative of the department's view on China."

Jan. 31, 2023: US Customs and Border Protection begins to <u>issue</u> detention notices against aluminum shipments originating in the Xinjiang Uyghur Autonomous Region over concerns of forced labor.

Jan. 31, 2023: US <u>stops</u> approving export licenses bound for Huawei.

Jan. 31, 2023: Undersecretary for Defense Policy Colin Kahl <u>dismisses</u> Gen. Minihan's leaked assessment for Taiwan saying "I don't see anything that indicates that this thing is imminent in the next couple of years."

Jan. 31–Feb. 4, 2023: A Chinese surveillance balloon <u>floats</u> across the continental United States after first being spotted over Alaska on Jan. 28.

Feb. 1, 2023: House Committee on Energy and Commerce holds a <u>hearing</u> entitled "Economic Danger Zone: How America Competes To Win The Future Versus China."

Feb. 2, 2023: US <u>reopens</u> its embassy in the Solomon Islands with Secretary Blinken hailing it as an important signal of Washington's commitment to democracy in the Pacific region.

Feb. 2, 2023: Defense Secretary Austin <u>reaches</u> agreement with Philippine President Bongbong Marcos to expand the rotational US military

presence in the Philippines with reference to confronting China in the South China Sea.

Feb. 2, 2023: Pentagon publicly <u>announces</u> that a high-altitude surveillance balloon from the People's Republic of China is present above Montana.

Feb. 2, 2023: At an event at Georgetown University, CIA Director William Burns <u>warns</u> not to underestimate China's ambitions toward Taiwan and that the agency knows "as a matter of intelligence" that President Xi has instructed the military to be operationally ready to reclaim Taiwan by 2027.

Feb. 3, 2023: Department of State indefinitely postpones Secretary Blinken's planned visit to China over the balloon incident.

Feb. 4, 2023: China acknowledges the "unintended entry of a Chinese unmanned airship into US airspace due to *force majeure*."

Feb. 4, 2023: US <u>shoots</u> down the surveillance balloon over the coast of South Carolina.

Feb. 5, 2023: China's foreign ministry issues a <u>statement</u> on Washington's downing of the balloon calling it a "clear overreaction and a serious violation of international practice." Chinese defense officials <u>reject</u> a call with US Defense Secretary Austin.

Feb. 6, 2023: China <u>protests</u> the downing of the balloon with the US Embassy in Beijing.

Feb. 7, 2023: President Biden <u>vows</u> to respond to Chinese threats to US sovereignty in his State of the Union address.

Feb. 7, 2023: House Financial Services Committee holds a <u>hearing</u> entitled "Combatting the Economic Threat from China."

Feb. 7, 2023: House Armed Services Committee holds a <u>hearing</u> entitled "The Pressing Threat of the Chinese Communist Party to US National Defense."

Feb. 8, 2023: Pentagon <u>describes</u> the downed balloon as part of a wider, global Chinese surveillance operation.

Feb. 9, 2023: Senate Committee on Foreign Relations holds a <u>hearing</u> entitled "Evaluating

US-China Policy in the Era of Strategic Competition." Assistant Secretary of Defense for Indo-Pacific Affairs Ely Ratner <u>testifies</u> that it is unlikely that China would be capable of invading Taiwan before 2030.

Feb. 9, 2023: Senate Appropriations Subcommittee on the Defense Deptartment holds a <u>hearing</u> on "The People's Republic of China's High Altitude Surveillance Efforts Against the United States."

Feb. 9, 2023: Beijing's state-owned *Xinhua* news <u>issues</u> a report decrying the level of drug abuse in the US.

Feb. 10, 2023: Department of Commerce <u>adds</u> six Chinese companies to the Entity List over their involvement in Beijing's balloon surveillance program.

Feb. 11, 2023: US Navy's *Nimitz* Carrier Strike Group <u>conducts</u> combined exercises in the South China Sea with the Marine Corps" *Makin Island* Amphibious Ready Group.

Feb. 13, 2023: China <u>alleges</u> that the US sent 10 balloons into Chinese airspace in 2022.

Feb. 15, 2023: Deputy Secretary of State Wendy Sherman <u>says</u> that all countries should warn China against invading Taiwan at an event at the Brookings Institution.

Feb. 15, 2023: US Defense official anonymously <u>confirms</u> that the planned trajectory of the downed Chinese surveillance balloon would likely have taken it over Guam and Hawaii rather than the continental United States.

Feb. 16, 2023: Beijing's state-owned *Xinhua* news organ <u>issues</u> a report decrying gun violence in the US.

Feb. 17, 2023: China <u>imposes</u> sanctions on US defense manufacturers Raytheon and Lockheed Martin as a "countermeasure" for their fulfillment of arms sales contracts for Taiwan.

Feb. 18, 2023: Wang Yi, Politburo member and director of the Office of the Central Commission for Foreign Affairs, delivers keynote remarks <u>titled</u> "Making the World a Safer Place" at the 59th Munich Security Conference in Germany.

Feb. 18, 2023: In an effort to maintain lines of communication, Secretary Blinken <u>meets</u> Wang Yi on the sidelines of the 59th Munich Security Conference, the first high-level meeting between Chinese and US officials since the balloon incident. Maintaining a cold shoulder, the Chinese <u>readout</u> is explicit that the meeting comes at the request of the US side.

Feb. 20, 2023: Beijing's state-owned *Xinhua* news organ <u>issues</u> a report decrying US "hegemony" across the world's political, military, economic, technological and cultural spheres.

Feb. 19–22, 2023: Ranking members of the House Select Committee on China, Mike Gallagher and Ro Khanna, <u>travel</u> to Taiwan as part of two delegations and issue a statement against China's "cognitive war" against Taiwan upon their return.

Feb. 22, 2023: China <u>launches</u> a new concept paper for the "Global Security Initiative" which appends 20 "priorities of cooperation" to its standard sovereignty-focused fare.

Feb. 22, 2023: A Chinese J–11 fighter jet <u>shadows</u> a US Navy reconnaissance plane over the South China Sea.

Feb. 23, 2023: Beijing's state-owned *Xinhua* news organ <u>issues</u> a report decrying economic polarization in the US.

Feb. 24, 2023: Office of the US Trade Representative releases an annual <u>report</u> on China's WTO Compliance.

Feb. 24, 2023: Beijing <u>issues</u> a 12-point "Political Settlement of the Ukraine Crisis" which US officials are quick to dismiss as "talking up Russia's false narrative about the war." Secretary Blinken <u>tells</u> *ABC News* that China's peace plan is not serious as "if they were serious about the first [point], sovereignty, then this war could end tomorrow."

Feb. 26, 2023: CIA Director William Burns, in a revision of comments from earlier in the month, assesses that China likely has doubts about its ability to invade Taiwan and that Xi's 2027 target to be invasion-ready is not indicative of a solid decision.

Feb. 26, 2023: Updated Department of Energy report <u>concludes</u>, albeit with a low level of confidence, that the COVID-19 pandemic emerged as a leak from the Wuhan Institute of Virology's research into the novel coronavirus.

Feb. 27, 2023: A US 7th Fleet P-8A Poseidon aircraft transits the Taiwan Strait.

Feb. 28, 2023: An inaugural hearing of the House Select Committee on China is <u>held</u> on "The Chinese Communist Party's Threat to America."

Feb. 28, 2023: House Committee on Science, Space, and Technology holds a <u>hearing</u> on "United States, China and the Fight for Global Leadership: Building a U.S National Science and Technology Strategy."

Feb. 28, 2023: House Foreign Affairs Committee holds a <u>hearing</u> on "Combatting the Generational Challenge of CCP Aggression."

March 1, 2023: Pentagon <u>approves</u> a \$619 million sale in *F*-16 fighter jets and related munitions to Taiwan. China <u>responds</u> with an incursion of over 20 fighter jets in Taiwan's Air Defense Identification Zone (ADIZ).

March 2, 2023: Department of Commerce <u>adds</u> 28 Chinese firms to the Entity List over alleged ties to the Iranian military.

March 6, 2023: President Xi, in rare form, <u>takes</u> direct aim at US "containment, encirclement and suppression" of China in a speech at the Chinese People's Political Consultative Conference.

March 7, 2023: White House <u>endorses</u> introduction of the RESTRICT Act in the Senate, which would empower the Commerce Dept. to ban technology services and service providers deemed to pose "undue or unacceptable risk" to US national security from the country.

March 8, 2023: US Director of National Intelligence Avril Haines <u>tells</u> lawmakers at a hearing of the Senate Intelligence Committee that the Chinese government is seeking to avoid further escalation of bilateral tensions and emphasized China's desire for a more stable relationship.

March 8, 2023: House Judiciary Subcommittee on Courts, Intellectual Property and the Internet holds a <u>hearing</u> entitled "Intellectual Property and Strategic Competition with China: Part I."

March 9, 2023: House Homeland Security Subcommittee on Counterterrorism, Law Enforcement, and Intelligence holds a hearing on "Confronting Threats Posed by the Chinese Communist Party to the US Homeland."

March 13, 2023: President Biden <u>announces</u> project milestones and timelines related to a landmark agreement to jointly develop and deploy nuclear submarines in the Asia-Pacific region with Australia and the United Kingdom.

March 20, 2023: Biden <u>signs</u> a law requiring his administration to declassify US intelligence on the origins of the COVID-19 pandemic.

March 20, 2023: China's Ministry of Foreign Affairs issues a report decrying the state of US democracy in 2022.

March 21, 2023: Department of Commerce <u>issues</u> a proposed rule to restrict foreign firms from using CHIPS and Science Act grants to expand semiconductor manufacturing capacity overseas.

March 23, 2023: TikTok CEO Shou Zi Chew <u>testifies</u> before House Committee on Energy and Commerce and is questioned on the company's firewall and data protection policies. Following the hearing, the Chinese Foreign Ministry <u>clarifies</u> in a press conference that China does not ask any company for access to foreign data.

March 23, 2023: House Select Committee on China holds a <u>hearing</u> entitled "The Chinese Communist Party's Ongoing Uyghur Genocide."

March 23, 2023: House Financial Services Subcommittee on National Security, Illicit Finance, and International Financial Institutions holds a <u>hearing</u> entitled "Follow the Money: CCP's Business Model Fueling the Fentanyl Crisis."

March 24, 2023: US 7th Fleet Destroyer USS *Milius* <u>conducts</u> a Freedom of Navigation Operation in the Paracel Islands.

March 28, 2023: China's State Council Information Office <u>issues</u> a report decrying the level of human rights violations in the US in 2022.

March 29, 2023: Beijing's state-owned *Xinhua* news <u>issues</u> a report decrying US arbitrary detention practices at home and abroad.

March 29–31, 2023: Taiwan President Tsai Ingwen <u>transits</u> New York on her way to Central America where she receives a Global Leadership Award from the Hudson Institute.

March 31, 2023: Treasury Department <u>releases</u> proposed guidance on the electric vehicle consumer subsidy found in the Inflation Reduction Act which will effectively ban Chinese EVs and EV battery components from the US market.

April 3, 2023: Washington and Manila jointly announce the locations of four more military bases with US funding and troop access—three of which are located in the north of the country near Taiwan, and one in the southwest near the Spratly islands. China's foreign ministry responds on the 6th, saying that the new locations are "uncalled-for."

April 4-6, 2023: Taiwan President Tsai Ing-wen stops in California, en-route from visits to Guatemala and Belize, where she meets House Speaker Kevin McCarthy and several other US lawmakers at the Ronald Reagan Presidential Library. China responds on the 7th by <u>sanctioning</u> the US institutions and individuals who met Tsai, and <u>sending</u> aircraft and warships across the Taiwan Strait for a 3-day exercise "encircling" the island.

April 6-8, 2023: House Foreign Affairs Committee Chairman Michael McCaul <u>visits</u> Taiwan and meets Tsai and Vice President Lai Ching-te. On the 13th, China responds by sanctioning him personally, adding to the list of senior members of Congress on Beijing's blacklist.

April 7, 2023: Leaked documents from the Pentagon come to light and <u>expose</u> US military intelligence's apprehension about Taiwan's ability to accurately detect and quickly counter potential Chinese air strikes. The leaks also <u>reveal</u> that, as of January, China ignored all

requests from Russia's Wagner Group to provide weapons for its military actions in Ukraine.

April 8, 2023: House of Representatives <u>votes</u> unanimously to instruct the White House to work toward changing China's status as a "developing nation" in the World Trade Organization.

April 9, 2023: US 7th Fleet Destroyer USS *Milius* <u>conducts</u> a Freedom of Navigation Operation near the Beijing-controlled Mischief Reef in the Spratly Islands.

April 11, 2023: Washington and Manila <u>agree</u> to move forward with drafting a "Security Sector Assistance Roadmap," with a focus on resisting Chinese incursions in the South China Sea, at a 2+2 (defense and foreign) ministerial dialogue in Washington.

April 12, 2023: Government Accountability Office releases a <u>report</u> entitled "Federal Spending: Information on US Funding to Entities Located in China."

April 14, 2023: Treasury Department <u>sanctions</u> two entities and four individuals from China over their involvement in supplying precursors for US-bound fentanyl.

April 15, 2023: China <u>refuses</u> to reschedule Secretary Blinken's planned visit to Beijing over concerns that the FBI may release to the public the results of its analysis of the debris recovered from the Chinese surveillance balloon downed in early February.

April 16, 2023: US 7th Fleet Destroyer USS *Milius* <u>transits</u> the Taiwan Strait.

April 17, 2023: Foreign ministers of the G7 countries <u>meet</u> in Japan and vow, among other things, to address China's increasing threats to Taiwan and ambiguity on the war in Ukraine.

April 18, 2023: Adm. John Aquilino, senior US military commander in the Indo-Pacific, <u>dismisses</u> colleagues' speculations about a potential timetable for a Chinese invasion of Taiwan in testimony before the Senate Armed Services Committee.

April 18, 2023: House Oversight and Accountability Select Subcommittee on the Coronavirus Pandemic holds a <u>hearing</u> entitled

"Investigating the Origins of COVID-19, Part 2: China and the Available Intelligence."

April 18, 2023: House Foreign Affairs Subcommittee on Indo-Pacific holds a <u>hearing</u> entitled "Surrounding the Ocean: PRC Influence in the Indian Ocean."

April 18, 2023: House Foreign Affairs Subcommittee on Africa holds a <u>hearing</u> entitled "Great Power Competition in Africa: Chinese Communist Party."

April 18, 2023: House Ways and Means Subcommittee on Trade holds a <u>hearing</u> entitled "Countering China's Trade and Investment Agenda: Opportunities for American Leadership."

April 19, 2023: House Committee on Ways and Means holds a <u>hearing</u> entitled "The US Tax Code Subsidizing Green Corporate Handouts and the Chinese Communist Party."

April 20, 2023: Secretary Yellen gives a <u>speech</u> at Johns Hopkins University that presents a softer economic approach to China than seen in months previous. It seeks "a constructive and fair economic relationship with China" which aims to close gaps in US national security through "friendshoring...creating redundancies in our critical supply chains" without "a full separation of [the two] economies" or "stifl[ing] China's economic and technological modernization."

April 20, 2023: US Army Maj. Gen. in Japan Joel Vowell <u>states</u> that Tokyo has shifted its military focus to protecting the Ryukyu Island chain in its southwest against potential threats from China, and that the US is aiding in this pivot.

April 20, 2023: House Foreign Affairs Subcommittee on Global Health, Global Human Rights, and International Organizations holds a <u>hearing</u> entitled "China's Political Prisoners: Where's Gao Zhisheng?"

April 20, 2023: Department of Homeland Security <u>announces</u> commencement of a 90-day, AI-integrated review of Chinese influence in US supply chains and firms.

April 21, 2023: Pentagon <u>releases</u> Annual Freedom of Navigation Program Report for Fiscal Year 2022 which lists China as the country

with the most transgressions of international laws which govern maritime claims and navigational rights.

April 22, 2023: House Select Committee on China holds tabletop exercise that <u>simulates</u> a Chinese attack against Taiwan to review US policy options in a worst-case scenario.

April 26, 2023: House Oversight and Accountability Subcommittee on Health Care and Financial Services holds a hearing <u>entitled</u> "China in Our Backyard: How Chinese Money Laundering Organizations Enrich the Cartels."

April 26, 2023: US and Philippine forces <u>sink</u> a mock warship in the South China Sea during the "Balikatan" annual joint exercise. China's ambassador to the Philippines <u>denounced</u> Manila's increased military cooperation with the US at a forum the previous week.

April 26, 2023: President Xi <u>speaks</u> on the phone with Ukrainian President Volodymyr Zelenskyy for the first time, with the latter welcoming China's substantive step in facilitating a political end to the conflict despite Washington's apprehension.

April 26, 2023: Biden administration <u>agrees</u> to send a nuclear ballistic missile-armed submarine, and other "strategic assets," to South Korea during a state visit by President Yoon Suk-yeol to Washington. Beijing angrily <u>responds</u> the next day calling it the product of Washington's "selfish geopolitical interests" that undermines "regional peace and stability."

April 27, 2023: National Security Advisor Jake Sullivan delivers <u>remarks</u> to the Brookings Institution elaborating on Yellen's speech on China-implicated economic policy the previous week. He clarifies that the administration's "modern trade agreements" with "like-minded partners" will include more than just tariff reduction, adding supply chain resilience, green finance, and labor rights to the list of US economic interests.

April 27, 2023: House Armed Services Subcommittee on Intelligence and Special Operations holds a <u>hearing</u> entitled "A Review of the Defense Intelligence Enterprise's posture and capabilities in strategic competition and in synchronizing intelligence efforts to counter the People's Republic of China." **April 27, 2023:** A US 7th Fleet P-8A Poseidon aircraft <u>transits</u> the Taiwan Strait.

Chronology compiled by ICAS research assistant Alec Caruana

PACIFIC FORTUR CONNECTIONS

A TRIANNUAL E-JOURNAL OF BILATERAL

RELATIONS IN THE INDO-PACIFIC

US-KOREA RELATIONS

NUCLEAR NEW YEAR

MASON RICHEY, HANKUK UNIVERSITY OF FOREIGN STUDIES

South Korean president Yoon Suk-yeol has tried to make a priority of transforming the traditional US-South Korea military alliance into a "global, comprehensive strategic alliance" with increasing ambitions beyond hard security issues on the Korean Peninsula and in Northeast Asia in general. Yoon and his foreign policy team get an "A" for vision and effort—joining the NATO Asia-Pacific Four (AP4) and releasing an Indo-Pacific Strategy in 2022 are evidence. But, like Michael Corleone trying to go legit in *The Godfather III*, every time they make progress getting out, they get pulled back into the Peninsula. To wit, during the first trimester of 2023 Korean Peninsula security issues again commanded disproportionate attention from Seoul and Washington. The proximate cause for this dynamic is North Korea's mafioso-in-chief, Kim Jong Un, who started 2023 with a January 1 missile launch and kept at it throughout the winter. This, of course, followed <u>record-breaking</u> 2022 North Korean missile tests and demonstrations, which totaled approximately 70 launches of around 100 projectiles. Given the near-zero prospects for North Korean denuclearization and the growing arsenal at Pyongyang's disposal, it is understandable that any South Korean president would be distracted from interests further afield.

This article is extracted from <u>Comparative Connections</u>: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: Mason Richey, "US-Korea Relations: Nuclear New Year," *Comparative Connections*, Vol. 25, No. 1, pp 47-64.

The audacious nature of Yoon's re-focusing on South Korean security was surprising and however. On January controversial, 11. apparently fed up with perceived South Korean vulnerability to its nuclear-armed consanguine, perhaps irritated with the Biden and administration's slow realization of this South Korean sentiment, he made a pronouncement that no democratic leader in Seoul has ever made publicly before: he stated that South Korea—which benefits from US extended nuclear deterrence—could still consider acquiring its own nuclear weapons, if "North Korean provocations continued intensifying." This set off a diplomatic kerfuffle that resonated—on both sides of the 38th parallel, as well as in Washington and Beijing-for much of the rest of the January-April reporting period.

Given the provocative nature of Yoon's statement, the South Korean presidential office later backtracked, "clarifying" that Yoon was simply expressing his "firm commitment to defending the nation" against North Korea's nuclear threats, and while the "worst case scenario must be taken into consideration," "the principle of abiding by the [Nuclear] Nonproliferation Treaty holds." In any event, Washington took notice of its anxious ally, responding with demonstrations of commitment to extended deterrence for South Korea—including a visit by Secretary of Defense Lloyd Austin and strategic asset deployments to South Korea. All this was in addition to regular combined military exercises and naval exercises featuring US aircraft carrier strike groups. Washington also consented to more bilateral consultation with Seoul regarding the US nuclear umbrella.

The saga has concluded—at least for now—with the Washington Declaration promulgated at the Biden-Yoon summit in late April. The Washington Declaration promises tightened US-South Korea extended deterrence coordination and consultation, while the leaders' summit—in the context of Yoon's state visit to celebrate 70 years of US-South Korea alliance relations-functioned as a renewal of Washington-Seoul ties. These ties are now perhaps as strong as they have ever been. If Pyongyang has reckoned that increased belligerence would decouple the US-South Korea alliance, it has seemingly miscalculated.



Figure 1 South Korea President Yoon Suk Yeol signing alongside US President Biden at the White House state dinner on April 26, 2023 in Washington, DC. Photo: Evelyn Hockstein/Reuters

US-South Korea Relations: Good Old Boys Drinkin' Whiskey and Rye

Long confined to the loony fringe, South Korean conservative rhetoric advocating nuclear weapons development went mainstream during the first trimester of 2023. South Korea has had—and perhaps still has—legitimate questions and concerns about the credibility of US extended deterrence in the face of North Korea's growing nuclear weapons arsenal, which can now strike continental US targets. thus complicating and injecting uncertainty into a potential US decision to retaliate with nuclear weapons in the event of a North Korean nuclear attack on South Korea. These questions and concerns-clear in elite conservative political discourse-explain most of the rhetoric supporting South Korean development of an independent nuclear deterrent. There is an element of desire for (inter)national prestige and worry about the need to hedge against rising China built into the pro-nuclear weapon discussion in South Korea, but what seemingly motivates South Korea's conservative political elites to broach "going nuclear" is a perceived lack of US reassurance vis-à-vis the North Korean nuclear threat. Domestic political opportunism presumably also plays a role, as some South Korean conservative politicians have—<u>perhaps</u> incorrectly—interpreted high popular support (60-70%) for South Korean nuclear weapons as (a) stemming from a lack of US extended deterrence credibility, and thus (b) a ground for shoring up political support ahead of 2024 general elections.

After Yoon's crossing of the nuclear Rubicon during his January 11 presser, Hong Joon-pyo, a

veteran heavyweight in the conservative People Power Party (PPP), indicated support for president Yoon's position. Also in mid-January, Seoul mayor Oh Se-hoon, a star conservative, argued for South Korean nuclear weapons. Oh intensified that stance in a high-profile March interview with Reuters in which he called for South Korean nuclear weapons even in the face of costs and risks from international opprobrium (sanctions, strained diplomatic ties, etc.). A national assemblyman and former chairperson of the PPP, Chung Jin-suk, broached South Korean indigenous nuclear weapons in late February. North Korean defector and current South Korean National Assemblyman Thae Yong-ho has been on the record <u>multiple times</u> calling for South Korean nuclear weapons.

Whether intended or not, this dam-break in loose nuke talk accelerated, broadened, and deepened attempts by Washington to enhance extended deterrence (in fact this was already underway in 2022 with the revived Extended Deterrence Strategy and Consultation Group). The initial Biden administration response to the outbreak of nuclear armament discussion in early 2023 seemed to focus on deterrent capabilities: air warfare training featuring F-35s, F-22s, B-52s, and B1Bs; aircraft carrier strike group visits to exercise with South Korean naval units; increased trilateral exercises (including on missile defense) with Japan. But the crux of South Korea's anxieties does not concern capabilities, about which there is no doubt in Seoul or Pyongyang. The real issue is reassurance, which is ultimately a question of political will. Consequently Washington decided to offer Seoul greater possibilities for US-South Korea extended deterrence consultations, and to institute joint nuclear-focused table-top exercises that could give South Korean officials and officers better insight into US nuclear-use decision-making for extended deterrence.

With the subject of South Korea's independent nuclear deterrent still alive in April, during the lead-up to President Yoon's state visit to Washington, DC and accompanying summit, US National Security Advisor Jake Sullivan was foreshadowing <u>"major deliverables"</u> on extended deterrence. That turned out to be the <u>Washington Declaration</u>, which commits the alliance to "deeper, cooperative decisionmaking on nuclear deterrence, including through enhanced dialogue and information regarding growing nuclear threats to the ROK

and the region." To this end, the Washington Declaration establishes the Nuclear Consultative Group (NCG), which institutionalizes a highlevel consultation mechanism enabling South Korea to better understand US policy, posture, and logic regarding nuclear use in an extended deterrence context, and on that basis to communicate Seoul's position. The Washington Declaration also institutionalizes the table-top simulations mentioned above and promises regular "visible" strategic asset deployments on/around the Korean Peninsula, starting with the first US nuclear ballistic-missile submarine (SSBN) port call in South Korea since 1981. The quid pro quo was Seoul's reiteration of dedication to the Nuclear Nonproliferation Treaty, effectively quieting the South Korean indigenous nuclear weapon debate.



Figure 2 Ohio-class ballistic-missile submarine USS Alaska returns to Kings Bay, Georgia on April 2, 2019. Photo: Bryan Tomforde/U.S. Navy/Handout/Reuters

Whether that remains the case will, in the short-/medium-term, likely depend on the personnel-/rank-level, quality, rhythm, momentum, and effectiveness of NCG meetings, as well as the occupant of 1600 Pennsylvania Ave. on January 20, 2025. Another factor will be the connection of the incipient South Korean conventional Strategic Command with the capabilities and planning of US-South Korea Combined Forces Command, and, by extension, to US Strategic Command. In the long-term, South Korea's satisfaction with extended deterrence will likely depend on the interplay of North Korea's nuclear arsenal advancement/rollback and the evolution of the NCG toward a status similar to that of NATO's Nuclear Planning Group (one notes that the US has pointedly denied that the NCG could morph NATO-style nuclear-sharing into а arrangement). If Pyongyang's nuclear weapons growth goes unchecked, or if the NCG fails to

progress, the Washington Declaration will end up a temporary band-aid on South Korean desires for nuclear weapons. Indeed the <u>conservative media</u> in South Korea were critical of the Washington Declaration and NCG even before Yoon landed in Seoul after his trip to Washington.

President Yoon's state visit to the US was not only about extended deterrence, of course. In the main it was a celebration of the seventieth anniversary of the US-South Korea alliance and an occasion to lay out a path for the future—the "global comprehensive strategic alliance" that the Biden and Yoon administrations both claim as the new frontier of US-South Korea relations. The leaders' Joint Statement covered a panoply of current and future agenda items that theoretically bind Seoul and Washington across dimensions of interests and values: human rights, defense of democratic freedom (South Korea will host the next Summit for Democracy, initiated by Biden), growing South Korean involvement in the AP4 partnership with NATO, US-South Korea cooperation on quantum science information and emerging materials/new technology, establishment of a US-South Korea Cybersecurity Cooperation Framework, and continued partnering in outer space.

In several passages the Joint Statement refers to US-South Korea Japan trilateral cooperation (diplomatic, security/military, economic), which the Yoon administration has made much more feasible (compared to his Japan-skeptical, progressive-nationalist predecessor Moon Jaein) through a politically risky dedication to thawing frozen relations with Tokyo. Indeed Yoon's openness in this regard—which clearly pleases the Biden administration-was likely a factor in securing Yoon a state visit, rather than merely a typical summit in Washington. In the Joint Statement the leaders also condemned Russia's invasion of Ukraine (although Seoul remains stand-offish on the possibility of direct lethal aid transfers to Kyiv) and demonstrated strongly worded unity on Taiwan Strait peace and stability (with Yoon even referring to it as a "global" issue in a pre-summit interview, thus challenging Beijing's position that Taiwan is a purely internal, Chinese matter). Finally, no US-South Korea summit Joint Statement would be complete without the obligatory language calling for improved human rights in North Korea, diplomacy leading to denuclearization, and, in the absence of such, strengthened US-

South Korea defense against and deterrence of the Kim regime.

Yoon's state visit also featured numerous other symbolic moments underscoring the tightness of the alliance. The South Korean president delivered a well-received address on freedom and sacrifice at a joint session of Congress, paid respects with Biden at the Korean War memorial, and hit the state dinner guests in the feels with an "impromptu"<u>rendition</u> of part of Don McLean's "American Pie." If the official welcoming ceremony on the White House lawn provided the stock images of Biden and Yoon exhibiting the pomp and circumstance of celebrating seventy years of successful alliance relations, Yoon's viral "American Pie" moment provided the optics of insouciant bonhomie between leaders of friendly nations.

Of course, not everything during the summit was a rousing success. On the economic front, Yoon's team did not get much movement from discriminatory US on problematic, the provisions of the Inflation Reduction Act, although there is emerging analysis that the electric-vehicle provisions that work against Hyundai/KIA in the short-term might be <u>compensated</u> for by other, long-term advantages (e.g., hedging South Korea's advanced battery production against Chinese competition). Nor did South Korea make much headway on solutions to onerous informationsharing requirements (notably on semiconductor yields) that high-tech companies such as Samsung and SK Hynix-will face to receive US subsidies as part of the CHIPS and Science Act. Thus, post-summit, some of the Washington-Seoul economic differencesabout which we have written during previous trimesters—remain hurdles to be overcome.

Finally, although not technically part of the state visit, Yoon did not return to South Korea with a significant bump in <u>domestic approval</u> ratings, despite the showcase in Washington. This is not only a small disappointment for Yoon, who probably hoped for more than a 2-3% uptick, but it is also not great for the US-South Korea alliance, which benefits from its leaders' popularity.

President Yoon's indigenous nuclear armament comments in January and the US-South Korea summit in April bookended the trimester reporting period, but plenty of other events took place in the interim. Much activity revolved around the US-South Korea response to North Korean belligerence and general malign behavior. The least productive but most frequent effort at dealing with Pyongyang was diplomacy, as throughout the winter and spring Washington and Seoul worked bilaterally to call for talks on denuclearization and other issues. admonished the Kim regime at the United Nations, condemned Pyongyang's human rights record (including the US nominating a new North Korea human rights envoy), and held regular trilateral discussions with Japan to coordinate messaging and strategy vis-à-vis North Korea. Senior officials— Undersecretaries/Vice-Secretaries/Ministers. Ministers, National and Deputy National Security Advisors, ambassadors, legislatorsfrom the US and South Korea shuttled back and forth between Seoul and Washington, met on the sidelines of multilateral meetings, and held video conferences and telephone calls. All business as usual, and all doing little more than holding ground vis-à-vis North Korea.

Also quite visible was the ramp-up in US-South combined military exercises—both Korea regularly scheduled and reactive to North Korean military activity (e.g., missile launches). In January, the US and South Korea held two weeks of live fire exercises near the DMZ involving South Korean Stryker brigades, while February started with several combined air drills with F-22s, F-35s, and B1Bs. Mid-February also saw US-South Korea joint air drills as a response to North Korea's first ICBM launch of 2023, as well as US-South Korea-Japan trilateral missile defense drills in the East Sea/Sea of Japan. In late February a US Los Angeles-class attack submarine made a port call in Busan as a show of force, followed by an Arleigh Burke-class guided-missile destroyer visit to Jeju Island in early March for joint naval exercises with South Korea. March also saw more combined exercises employing B1Bs, as well as the return of B-52s for a show of force over and around the Korean Peninsula. Mid-March marked the beginning of the regularly scheduled Freedom Shield US-South Korea combined exercises, which included both computer simulations and twenty field drills. The end of March and early April featured a Busan port visit by the USS Nimitz aircraft carrier (and its air wing), which was bookended before and after with combined bilateral naval exercises with South Korea, as well as trilateral exercises with South Korea and Japan. April saw the return of US B-52s for combined air exercises involving South Korean F-35s, while <u>large-scale scheduled air drills</u> began in the middle of the month.

Bevond these bilateral/trilateral militarv exercises, South Korea joined multilateral military exercises such as Cobra Gold (with the US) in Thailand, US-led Sea Dragon multilateral anti-submarine warfare training near Guam, and US-UK-South Korea marine infiltration training. In defense acquisition news, South Korea announced a plan to purchase more F-35s, while Boeing signed an MOU with South Korea's DAPA (Defense Acquisition and Procurement Agency) to conduct joint research on high-tech weapon systems.



Figure 3 Royal Canadian Air Force CP-140 Aurora Long Range Patrol aircraft lands in Andersen Air Force Base in Guam. Photo: Maj Leonard Kosciukiewicz, 407 Long Range Patrol Squadron

The takeawav on US-South Korea defense/security relations in the first trimester of 2023 is that the 2022 trend of heightened exercises and military responsiveness to North Korea is the order of the day. Shows of force and combined training are considered necessary for deterrence and warfighting readiness, although North Korea seems unbowed. Over the mediumterm the US-South Korea alliance is in a deterrence relationship with North Korea, which refuses the idea of denuclearization, and it will be a constant, fraught task to maintain stability without a functioning diplomatic path to accompany the military deterrence situation.

One possible approach to this challenge is better US-South Korea-Japan coordination across a range of areas including diplomacy (notably in confronting North Korea and containing China), military/security (missile defense and antisubmarine warfare coordination), economics (supply chain cooperation in high-tech sectors), and *intelligence* (more rapid bilateral/trilateral information-sharing). A tighter trilateral Northeast Asia bloc of like-minded partners can achieve synergies catalyzing order-building and order-maintenance that will make it harder for North Korea and China to cause mischief and provoke crises in East Asia specifically and the Indo-Pacific more generally. The key to unlocking that (unproven) possibility is improved Seoul-Tokyo relations, which Yoon made a priority during the first trimester of 2023 through a variety of steps to overcome political and diplomatic hurdles rooted in historical distrust. Yoon's efforts paid off with a working-level summit in Japan (followed by a visit from Japanese Prime Minister Fumio Kishida to Seoul in May). There is still much work to be done in this area (especially by a still reticent Japan), but the Biden administration has been impressed with Yoon on this front.

US-North Korea Relations: This Winter Made Me Shiver

The US-South Korea relationship is as multifaceted and dynamic as the US-North Korea relationship is uniform and torpid. US-North Korea relations are also dangerous. As official diplomacy between Washington and Pyongyang currently consists of US calls for North Korean denuclearization and North Korean refusals, as well as Biden administration condemnation of Kim regime violation of international law and Kim regime aggrieved umbrage, the security dilemma between the US-South Korea alliance and North Korea is a powder keg with few risk-reduction tools. Tensions are heightened by North Korea's threats to the US-South Korea alliance and the US promise to "end the Kim regime" if it were to use nuclear weapons.

True to form, North Korea's 2023 started with a January 1 launch of a 600mm super-large Multiple Launch Rocket System (MLRS), also called the KN-25 short-range ballistic missile (SRBM), which Pyongyang claims is capable of delivering tactical nuclear warheads to any target on the Korean Peninsula. The Kim regime announced at a handover ceremony that thirty 600mm super-large MLRS units—the backbone of the state's "offensive" rocket forces—are now in the possession of the military and ready for deployment. The January 1 launch also coincided with the <u>KCNA publication of a Kim speech</u> on work plans, state policies and budget, and nuclear weapons development given at an

end of year (2022) North Korean Workers' Party Plenum.



Figure 4 North Korea Leader Kim Jong-un speaks during the 6th Enlarged Plenary Meeting of 8th Workers' Party of (North) Korea Central Committee. Photo: Yonhap

The item from the speech that got the most international attention was Kim's exhortation to "exponentially increase" North Korean nuclear weapons production from the <u>currently</u> <u>estimated 40–50 warheads</u>. This neatly both communicated Pyongyang's refusal to denuclearize and signaled a strategy of growing the volume of North Korean nuclear weapons (beyond aiming at improvement in quality and sophistication). That would require continued production of weapons-grade fissile material, which Kim indeed ordered and the IAEA and other sources observed and confirmed during the January-April 2023 period.

However, what followed the January 1 speech and rocket launch was not the long-expected seventh nuclear test, reasons for the delay of which remain unknown. Instead, North Korea went relatively quiet for a few weeks before carrying out a solid-fuel rocket engine test in late January, an apparent follow-on to similar test in December 2022. On February 8, North Korea celebrated the founding of the Korean People's Army with a military Foundation Day parade, rolling out eleven Hwasong-17 ICBMSs on transporter-erector-launchers (TELs) and unveiling a new ICBM (Hwasong-18). Chairman Kim's daughter, Ju-ae, who has made several appearances at military events since late 2022, was present. Ten days later, on February 18, Pyongyang tested its first ICBM of 2023, a liquid-fueled Hwasong-15, followed by two SRBMs (KN-25s) on February 20. The February testing spree culminated with a launch of four land-attack cruise missiles on February 23.

March continued the same belligerent trajectory, beginning with six mass-fired SRBMs, on March 9, at which, again, Kim's daughter Ju-ae was in attendance. Three days later, on March 12, Pyongyang followed up with a test of two land-attack cruise missiles, before returning to **SRBMs** with a two-missile volley on March 14. March also marked North Korea's second ICBM launch of 2023, a Hwasong-17 tested on March 16, seemingly intended to coincide with a Tokyo summit between President Yoon and Prime Minister Kishida. March 18-19 saw a North Korean "nuclear counterattack drill" presided over by Kim and featuring an SRBM launch. Several days later, during the March 21-23 period, Pyongyang tested four land-attack cruise missiles and an underwater unmanned vehicle (UUV), the latter of which is a relatively exotic weapon (by North Korean standards) about whose effectiveness and value-added there is serious doubt. A two volley SRBM launch on March 26 closed out a very active month for North Korean kinetic testing.

The biggest advance in Pyongyang's missile arsenal, however, was saved for April 13, a few days prior to the Day of the Sun celebrating the birth of North Korean state-founder Kim Il Sung: the Kim regime flight tested, for the first time, a solid-fuel ICBM, the Hwasong-18 unveiled at the February 8 parade. This represents a meaningful advance in North Korea's missile arsenal, as solid-fueled missiles are generally easier to work with in the field, slightly faster to deploy for launch, and, often overlooked, capable of being employed without the retinue of support vehicles usually needed for mobile liquid-fueled ICBMS. This makes them somewhat more survivable, notably with respect to complicating US-South Korea efforts to interdict their use left-of-launch. A solidpropellent ICBM was one of the listed priorities in Kim's January 2021 Korean Workers' Party speech, indicating that he has been investing resources strategically.

Over the first four months of 2023, North Korea launched missiles at a rate similar—albeit slightly slower—to the record-breaking year of 2022. It remains to be seen if that pace will continue, as the Kim regime has other, competing priorities, including testing a tactical nuclear warhead (a mock-up <u>image of which</u> <u>was released</u> by KCNA in late March) and launching a space launch vehicle (presumably to place a military reconnaissance <u>satellite</u> in orbit).

With the exception of the upgrading of extended deterrence consultation with South Korea outlined in the Washington Declaration, and tentative efforts at greater trilateral military/security cooperation involving Japan, the US response to North Korea's continued missile program development was from the typical playbook: military exercises (especially combined with South Korea and Japan), shows of force via strategic asset demonstrations on/around the Korean Peninsula, diplomatic coordination with South Korea and Japan (as well as the larger international community), rhetorical condemnation at the United Nations backed by efforts at increased international sanctions (which currently fail due to vetoes by China and/or Russia), and US unilateral sanctioning of North Korean entities and people.

North Korean reaction—occasionally from Chairman Kim's sister Kim Yo Jong-to US deterrence and diplomacy was the predictable hostile warning against US-South Korea joint military exercises, aggrieved menace against US condemnation at the UN, <u>calls to improve</u> the country's war-footing, and warning for thirdparties not to become involved. It is possible that North Korean leadership believes its own rhetoric in this regard, but that would not also exclude Kim regime instrumentalization of pushback, for domestic political purposes, against the US and South Korea. There are signs that North Korea is struggling under the weight of economic sanctions, the effect of COVID border closures, and execrable economic policies. The latter is especially evident in the agricultural sector, which has led to serious <u>under-/mal-nutrition;</u> meanwhile many offers of humanitarian assistance (including from the US and South Korea) go unanswered.

Finally, in the "various and sundry" category, the US <u>kept North Korea on its list</u> of state sponsors of terrorism, and the state was a <u>frequent target of reporting</u> on malicious cybersphere behavior, which nets Pyongyang hundreds of millions of dollars annually that it uses to stay economically afloat. The US and North Korea also engaged in a tit-for-tat spat regarding their respective activities in supporting one of the counterposed sides in the Russia–Ukraine War, with the <u>US reporting</u> that Pyongyang supplied Russia with munitions and weapons in exchange for food assistance. All in all, the US-North Korea relationship remains fundamentally broken, with Pyongyang stuck on a path dependent trajectory of external belligerence and domestically predatory behavior, and Washington either unwilling or unable to think and work creatively on alternatives to a frustrating, dangerous deadlock.

Conclusion: The Man There Said That Music Wouldn't Play

At least for the moment, North Korea's bet on nuclear weapons to decouple the US-South Korea alliance has proven a failure. Worse, in fact, than a failure: not only have the US and South Korea re-soldered their "ironclad" relationship. but South Korea-Japan rapprochement points toward tighter trilateral cooperation with the US. This is not a welcome geostrategic outcome from the perspective of Pyongyang. Nor of Beijing, for that matter, which dreads improved US-South Korea-Japan regional security cooperation, especially on missile defense, anti-submarine warfare, and coordination regarding any potential crisis in the Taiwan Strait. President Yoon pointedly told China that enhanced trilateral cooperation is, in part, a bed of China's own making, as it tacitly supports North Korea's nuclear program by, inter alia, not enforcing already agreed-upon international sanctions, and blocking new ones at the UN Security Council. This is certainly not music to Beijing's ears, but for the moment Yoon has chosen his tune.

CHRONOLOGY OF US-KOREA RELATIONS

JANUARY—APRIL 2023

Jan. 1, 2023: Chief nuclear envoys of South Korea, the United States, and Japan <u>hold</u> threeway phone talks after North Korean leader Kim Jong-un called for developing a new intercontinental ballistic missile during a ruling party meeting. They warn that North Korean provocations would deepen its isolation.

Jan. 1, 2023: North Korean leader Kim and his daughter <u>inspect</u> dozens of intermediate-range and short-range ballistic missiles, emphasizing Kim's declaration to "exponentially increase" missile production in the new year. North Korea also <u>tests</u> a nuclear-capable "super-large multiple launch rocket system" which North Korean leader Kim Jong Un states can strike anywhere in South Korea.

Jan. 2, 2023: South Korean President Yoon Suk Yeol <u>states</u> that South Korea is in talks with the United States about joint planning and exercises in terms of nuclear capabilities.

Jan. 3, 2023: White House <u>confirms</u> that the US and South Korea are not discussing joint nuclear exercises but are working on an "effective coordinated response" to a range of scenarios, including nuclear use by North Korea.

Jan. 4, 2023: White House Press Secretary Karine Jean-Pierre <u>affirms</u> the US commitment to providing extended deterrence to South Korea.

Jan. 6, 2023: Department of Defense spokesperson Brig. Gen. Pat Ryder <u>states</u> that the United States will "coordinate closely" with South Korea to monitor threats posed by North Korea.

Jan. 10, 2023: Jose Fernandez, under secretary of State for Economic Growth, Energy, and the Environment <u>meets</u> South Korean Vice Foreign Minister Lee Do-Hoon regarding the US Inflation Reduction Act, supply chain issues, and other bilateral issues.

Jan. 10, 2023: US Department of State Press Secretary Ned Price <u>states</u> that the United States will work with South Korea and European allies regarding concerns about the Inflation Reduction Act. **Jan. 10, 2023:** South Korean Second Industry Minister Park Il-jun <u>meets</u> Under Secretary of State Fernandez to discuss cooperation on critical minerals and energy issues to ensure stable supply chains.

Jan. 11, 2023: In response to North Korean provocations, South Korean President Yoon <u>calls</u> for "further strengthening of the security cooperation" between South Korea, the United States, and Japan.

Jan. 11, 2023: President Biden <u>states</u> that Hanwha Solutions' plan to build a solar panel production facility in the US will help bring back supply chains and is a "direct result" of his economic plan and the US Inflation Reduction Act.

Jan. 12, 2023: Secretary of State Antony Blinken <u>reaffirms</u> trilateral cooperation with South Korea and Japan against North Korean provocations in a joint press conference with Secretary of Defense Lloyd Austin, Japanese Foreign Minister Hayashi Yoshimasa and Japanese Defense Minister Hamada Yasukazu.

Jan. 13, 2023: Department of Defense spokesperson Brig. Gen. Ryder <u>emphasizes</u> US extended deterrence to its allies in the Indo-Pacific region to demonstrate continued support to deter and counter potential aggression against South Korea.

Jan. 13, 2023: President Biden <u>highlights</u> the strength of the US-South Korea alliance in statement observing Korean American Day.

Jan. 14, 2023: South Korea's advanced Army unit stages a joint field exercise with a US *Stryker* Brigade Combat Team near the inter-Korean border.

Jan. 15, 2023: Following a six-year hiatus, South Korea <u>seeks</u> to resume bilateral consultations with the United States on promoting North Korean human rights.

Jan. 19, 2023: Department of Defense <u>requests</u> US Forces Korea to provide equipment to support Ukraine in the war with Russia and stresses that this move would have "zero impact" on its commitment to South Korea.

Jan. 21, 2023: Strategic Communications Coordinator for the US National Security Council John Kirby <u>reports</u> that North Korea continues to provide ammunition to Russia.

Jan. 24, 2023: The US House of Representatives proposes a resolution calling for the return of USS Pueblo, a US Navy Ship seized by North Korea 55 years ago.

Jan. 24, 2023: President Biden <u>nominates</u> Julie Turner, director of the Office of East Asia and the Pacific in the State Department, to serve as a special envoy for North Korean human rights issues. South Korea's foreign ministry <u>welcomes</u> her nomination.

Jan. 25, 2023: If active dialogue with North Korea commences, the US will <u>consider</u> appointing a special envoy singularly focused on North Korea states Ned Price, Department of State Press Secretary.

Jan. 27, 2023: South Korea's Army Chief of Staff Gen. Park Jeong-hwan and US counterpart Gen. James C. McConville <u>sign</u> a strategic vision statement to expand security cooperation in military, science and technology, and space.

Jan. 27, 2023: North Korean leader Kim Jong Un's sister, Kim Yo Jong, <u>states</u> that the US is "further crossing the red line" by "escalating the war situation" in Ukraine through military hardware support.

Jan. 29, 2023: NATO Secretary General Jens Stoltenberg <u>visits</u> South Korea and meets with President Yoon. Stoltenberg <u>emphasizes</u> interconnectedness amid North Korea's military support to Russian war efforts and an increasingly "unpredictable and uncertain world."

Jan. 30, 2023: North Korea <u>states</u> that NATO Secretary General Stoltenberg's visit to South Korea is a "prelude" to a "new Cold War" in the Asia-Pacific region as it appears to be "instigating" the creation of an Asian version of NATO.

Jan. 30, 2023: Secretary of Defense Austin arrives in South Korea for talks with South Korean officials regarding deterrence against North Korean nuclear and missile threats.

Jan. 30, 2023: NATO Secretary General Stoltenberg <u>stresses</u> the importance of the US extended deterrence commitment to South Korea and agrees to strengthen cooperation in areas such as defense science and technology with South Korea.

Jan. 30, 2023: According to a Gallup Korea poll of 1000 adults, seven of 10 South Koreans <u>support</u> the pursuit of an independent nuclear weapons development program in South Korea amid concerns over growing North Korean provocations and security threats.

Jan. 31, 2023: South Korean Defense Minister Lee Jong-sup and US Secretary of Defense Austin <u>pledge</u> to "expand and bolster" the level and scale of this year's combined exercises and training in response to intensifying North Korean provocations.

Jan. 31, 2023: North Korea may have <u>tested</u> a solid-fuel missile engine, which would mark the first weapons test by the regime since its short-range ballistic missile launch on Jan. 1.

Feb. 1, 2023: In response to debates in South Korea whether the country should pursue nuclear armament, the US Department of Defense <u>releases</u> a Korean-language version of its *Nuclear Posture Review*.

Feb. 2, 2023: South Korea and the US <u>stage</u> combined air drills over the Yellow Sea. South Korea's defense ministry states that the two countries will enhance confidence in the US extended deterrence commitment by "strengthening combined drills in connection with the deployment of US strategic assets."

Feb. 2, 2023: Following Secretary Austin's visit to South Korea, North Korea <u>warns</u> that it will take the "toughest action" to US military action under the "nuke for nuke and an all-out confrontation for an all-out confrontation" principle.

Feb. 3, 2023: South Korea and the US <u>stage</u> combined air drills to show US "will and capability" to keep its security commitment to South Korea and to improve combined operational capabilities.

Feb. 3, 2023: South Korean Foreign Minister Park Jin <u>meets</u> US Congress members to further strengthen US-South Korean relations and discuss South Korean concerns over the US Inflation Reduction Act.

Feb. 3, 2023: State Department Press Secretary Price <u>states</u> that the US is willing to engage in dialogue with North Korea and stresses the need to hold North Korea responsible for its recent missile provocations.

Feb. 3, 2023: Nathaniel Fick, US ambassador-at-Large for Cyberspace and Digital Policy, <u>travels</u> to South Korea amid efforts to curb illegal cyber activities by North Korea.

Feb. 4, 2023: South Korean FM Park Jin and Secretary of State Blinken <u>meet</u> to discuss the US extended deterrence commitment, nuclear, and conventional missile defense capabilities to defend South Korea, and denuclearizing North Korea. They sign an agreement on science and technology cooperation.

Feb. 7, 2023: North Korea <u>convenes</u> a meeting of the Central Military Commission of the Worker's Party of Korea to discuss major military and political tasks for the year. Meeting agenda items include "more strictly perfecting the preparedness for war" and "constantly expanding and intensifying" operation and combat drills to cope with "the prevailing situation."

Feb. 7, 2023: United States <u>calls</u> for the release of South Koreans who are unlawfully detained in North Korea and is in close coordination with South Korea to address this issue.

Feb. 8, 2023: North Korea <u>holds</u> massive military parade to mark the 75th founding anniversary of its armed forces and to display its nuclear attack capability. The parade <u>displayed</u> almost a dozen advanced ICBMs, tactical missiles, and longrange cruise missiles and featured tactical nuclear units. A new ICBM, the *Hwasong-17*, was spotted, along with a possible mockup of a new solid-fueled ICBM. Kim Jong Un also <u>visits</u> the barracks of North Korean military officers with his daughter, Ju-ae, for the anniversary.

Feb. 10. 2023: In upcoming allied drills, South Korea and the United States <u>plan</u> to incorporate "live, virtual, and constructive" (LVC) training elements to bolster combat readiness.

Feb. 11, 2023: United States National Security Council coordinator for strategic communications John Kirby <u>affirms</u> that North Korea has provided artillery ammunition to Russia.

Feb. 12, 2023: South Korea and the United States stage combined counter-drone drills at a US air base amid North Korean drone threats.

Feb. 15, 2023: South Korea's Navy and Marine Corps participates in a Thai and US-led multinational military exercise.

Feb. 15, 2023: Deputy Secretary of State Wendy Sherman <u>reaffirms</u> "ironclad" commitment to providing extended deterrence in a meeting with South Korean First Vice Foreign Minister Cho Hyun-dong. Both stress the importance of the complete denuclearization of North Korea.

Feb. 15, 2023: United States Rep. Young Kim argues that the US needs to take a "stronger stance" against North Korea, appoint a special envoy to work solely on North Korea issues, and better demonstrate its capabilities to help defend allies.

Feb. 15, 2023: South Korea's First Vice Industry Minister Jang Young-jin <u>visits</u> the US to enhance bilateral partnership in semiconductors and batteries industry sectors, strengthen technology and supply chains, and discuss the Inflation Reduction Act.

Feb. 16, 2023: According to South Korea's new defense white paper, North Korea <u>resumed</u> plutonium production in 2021, increasing from 50 to 70 kilograms of plutonium for nuclear weapons.

Feb. 16, 2023: US agricultural exports to South Korea <u>reach</u> a record high of over \$10 billion in 2022, a 2% increase from 2021.

Feb. 17, 2023: Following South Korea's announcement of bilateral tabletop exercises with the US on a North Korean nuclear-use scenario, North Korea <u>warns</u> that it will respond with "unprecedently persistent and strong" counteractions to upcoming joint drills.

Feb. 17, 2023: United States <u>plans</u> to release information on the provision on EV battery tax incentives under the Inflation Reduction Act. South Korean Industry Vice Minister Jang Young-jin states that the "uncertain environment" surrounding the act is "not advantageous."

Feb. 18, 2023: North Korea <u>fires</u> a long-range ballistic missile into the East Sea, the second ballistic missile provocation this year. South Korean FM Park Jin, Secretary of State Blinken, and Japanese FM Hayashi strongly <u>condemn</u> the launch and state that the three countries will continue to strengthen defense and joint cooperation.

Feb. 19, 2023: North Korea <u>fires</u> a *Hwasong-15* intercontinental ballistic missile in a "sudden launching drill" aimed at ensuring nuclear deterrence, North Korea's first ICBM launch since November.

Feb. 19, 2023: South Korea and the United States <u>stage</u> combined air drills, following North Korea's launch of a long-range ballistic missile. South Korea's Joint Chiefs of Staff states that the training demonstrated the "alliance's overwhelming forces."

Feb. 20, 2023: North Korea <u>fires</u> two shortrange ballistic missiles toward the East Sea, following the joint air drills staged by South Korea and the United States.

Feb. 20, 2023: South Korea <u>imposes</u> sanctions on four individuals and five institutions involved in North Korea's nuclear and missile development programs following North Korea's latest longand short-range ballistic missile launches.

Feb. 20, 2023: US <u>condemns</u> North Korea's recent ballistic missile launches but reaffirms commitment to a diplomatic approach to North Korea. A day later Washington <u>calls</u> on the UNSC to hold North Korea accountable for its recent missile provocations but fails to reach a consensus.

Feb. 22, 2023: Following North Korea's recent ballistic missile launches, South Korea, the United States, and Japan <u>conduct</u> a trilateral missile defense exercise to strengthen security cooperation.

Feb. 24, 2023: To mark the 70th anniversary of the US-South Korea alliance, the South Korean National Assembly <u>passes</u> resolution calling for a stronger alliance and bolstering cooperation in economic fields.

Feb. 24, 2023: North Korea <u>fires</u> four *Hwasal*-2 strategic cruise missiles to demonstrate the "war posture" of the country's nuclear combat forces.

Feb. 24, 2023: South Korea and the US <u>conduct</u> a tabletop exercise focused on the possibility of North Korea's use of nuclear weapons.

Feb. 24, 2023: Kwon Jong-gun, director-general for US affairs at North Korea's foreign ministry, <u>calls</u> on the United States to cease deployment of strategic assets to South Korea and combined drills and that continued provocations will be considered a "declaration of war."

Feb. 24, 2023: US Under Secretary of Commerce for Industry and Security Alan Estevez <u>states</u> the US will limit the level of semiconductors produced by South Korean companies in China to help minimize the potential damage to business.

Feb. 24, 2023: South Korean FM Park Jin <u>emphasizes</u> importance of improving South Korea–US cooperation on economic, security, and technology in biotechnology, quantum computing, and artificial intelligence.

Feb. 25, 2023: USS *Springfield*, a US nuclearpowered submarine, <u>arrives</u> in South Korea, in an apparent warning to North Korea's repeated missile provocations.

Feb. 26, 2023: South Korean Finance Minister Choo Kyung-ho <u>calls</u> for US cooperation in the upcoming US guidance on critical mineral and battery component requirements of the US Inflation Reduction Act.

Feb. 28, 223: US, South Korea, and Japan <u>hold</u> first session of an economic security dialogue to discuss cooperation in areas including "emerging and core technologies, such as quantum, bio, and space, and stabilizing semiconductor, battery, and critical mineral supply chains."

Feb. 28, 2023: South Korean and US special commandos <u>conduct</u> *Exercise Teak Knife*, combined drills set to strengthen the "ironclad" security commitment between the allies.

March 1, 2023: During an address marking the March 1 Independence Movement in South Korea, South Korean President Yoon <u>emphasizes</u>

the importance of trilateral cooperation with Japan and the US.

March 1, 2023: Following the recent bilateral tabletop exercise, Department of Defense spokesperson Brig. Gen. Ryder <u>reports</u> that the US and South Korea conducted discussions regarding "various approaches on the alliance deterrence posture" in the face of evolving North Korean nuclear and missile capabilities.

March 2, 2023: United States <u>imposes sanctions</u> on two individuals and three companies for their involvement with North Korea's ballistic missile programs.

March 5, 2023: A US guided-missile destroyer <u>visits</u> South Korea in an apparent show of force to North Korea.

March 6, 2023: North Korea has reportedly <u>developed</u> a high-thrust engine capable of carrying a rocket, allowing the country to launch various satellites into orbit.

March 6, 2023: South Korea and the United States <u>stage</u> combined air drills involving a US nuclear-capable B-52H strategic bomber.

March 7, 2023: Kim Yo-jong, sister of North Korean leader Kim Jong Un, <u>states</u> that North Korea is ready to take "quick and overwhelming action" at any time in response to military activities by the US and South Korea. South Korea and the US <u>stage</u> landing and takeoff drills following North Korea's claims that it has rocket launcher is capable of destroying an enemy airfield.

March 7, 2023: Rafael Grossi, director general of the International Atomic Energy Agency, <u>states</u> that there are "deeply troubling" signs of activity detected at North Korea's Punggye-ri nuclear testing site.

March 8, 2023: 2023 Annual Threat Assessment released by US Director of National Intelligence <u>expects</u> North Korea to conduct another nuclear test and notes that North Korean leader Kim Jong Un has no intentions to give up nuclear weapons.

March 9, 2023: North Korea <u>fires</u> a short-range ballistic missile toward the Yellow Sea.

March 10, 2023: North Korea <u>announces</u> that leader Kim Jong Un oversaw a fire assault drill as Kim stresses the need to "always stay alert" for "frantic war preparation moves" being committed by the "enemy."

March 12, 2023: South Korean navy destroyer ROKS *Choe Yeong* conducts a joint field exercise with the USS *Rafael Peralta*.

March 13, 2023: North Korea <u>fires</u> two strategic cruise missiles from a submarine in the East Sea. North Korea states that this drill "verified the current operation posture of the nuclear war deterrence means" in different spaces.

March 13, 2023: South Korea and the United States <u>begin</u> the 11-day *Freedom Shield* exercise that present "realistic" scenarios reflective of North Korea's evolving nuclear and missile threats.

March 13, 2023: North Korea "bitterly <u>denounces</u>" the US for holding an informal UNSC meeting on North Korea's human rights abuse. North Korea vows to take the "toughest counteraction" against the "vicious hostile plots" of the United States.

March 13, 2023: South Korea <u>participates</u> in the second round of official negotiations for the United States-led Indo-Pacific Economic Framework.

March 13, 2023: South Korea <u>plans</u> to buy F-35A stealth fighter jets and other weapons systems to bolster its deterrence capabilities against North Korea.

March 13, 2023: South Korea's chip industry <u>feels</u> pressured to take a side between the US and China following the United States CHIPS Act. The industry calls for President Yoon to make a direct deal with President Biden to alleviate pressure.

March 14, 2023: In response to North Korea's recent cruise missile tests from a submarine, the US <u>insists</u> that North Korean provocations force the US to "continually" reaffirm its security commitment to South Korea.

March 14, 2023: North Korea <u>fires</u> two short-range ballistic missiles toward the East Sea.

March 14, 2023: US Marines based in South Korea and Japan <u>participate</u> in combined drills with South Korea.

March 15, 2023: South Korea and the United States <u>conduct</u> combined river-crossing military drills.

March 15, 2023: South Korea <u>participates</u> in a US-led multinational anti-submarine warfare exercise to enhance joint anti-submarine warfare capabilities.

March 16, 2023: North Korea <u>fires</u> a *Hwasong-17* intercontinental ballistic missile toward the East Sea in a show of the "toughest response posture" against "aggressive" combined drills by the US and South Korea.

March 16, 2023: United States <u>welcomes</u> a "new chapter of cooperation and partnership" between South Korea and Japan and will continue to support the South Korea–Japan relationship.

March 17, 2023: Wendy Sherman, US deputy secretary of State, <u>expresses</u> "strong support" for President Yoon's efforts to improve ties between South Korea and Japan.

March 19, 2023: North Korea <u>fires</u> a short-range ballistic missile toward the East Sea.

March 19, 2023: A US B-1B strategic bomber returns to South Korea for joint exercises and as a show of force as North Korea fires a ballistic missile into the East Sea.

March 20, 2023: North Korea <u>conducts</u> a twoday practice simulating a tactical nuclear counterattack to South Korea–United States "war" drills.

March 20, 2023: 2022 Country Reports on Human Rights Practices, released by the US Department of State, <u>calls</u> out North Korea for dozens of human rights issues such as torture, total state control of media, and trafficking.

March 20, 2023: South Korea and the United States <u>conduct</u> high-tech military drills with increased "intensity and realism" to bolster deterrence against North Korean provocations.

March 22, 2023: North Korea <u>fires</u> multiple cruise missiles toward the East Sea.

March 22, 2023: North Korea <u>criticizes</u> US Ambassador to the United Nations Linda Thomas-Greenfield for calling on the UNSC to denuclearize North Korea. North Korea states that pressure to dismantle its nukes means "a declaration of war."

March 22, 2023: The United States <u>condemns</u> North Korea's latest missile provocations and urges all members of the United Nations Security Council to hold North Korea accountable for its actions.

March 22, 2023: Lt. Gen. William M. Jurney, commander of the US Marine Corps Forces, Pacific, joins ongoing joint South Korea–United States exercises.

March 22, 2023: Samsung Electronics Co. and SK Hynix Inc. <u>express</u> relief as the US government announces that the CHIPS Act defines material expansion as "increasing a facility's production capacity by 5%." This will allow the two companies to make technological upgrades in Chinese factories, resolving the worry that the two companies might need to develop an exit strategy from the Chinese market.

March 23, 2023: South Korea, the United States, and the United Kingdom <u>stage</u> combined highintensity airborne and maritime infiltration drills to strengthen mission capabilities.

March 23, 2023: South Korea and the United States <u>conduct</u> a large-scale combined live-fire exercise near the Demilitarized Zone. US Army Col. Brandon Anderson states that the exercise is "defensive in nature" and that the allies are "not being offensive."

March 24, 2023: US Forces Korea <u>conducts</u> the first training on the deployment of a remote launcher of the Terminal High Altitude Area Defense (THAAD) missile defense system stationed in South Korea.

March 24, 2023: North Korea <u>conducts</u> a new underwater nuclear strategic weapon test and cruise missile exercise to "alert the enemy to an actual nuclear crisis."

March 24, 2023: LG Energy Solution Ltd. <u>states</u> that it will invest 7.2 trillion won to build its second standalone battery manufacturing site in Arizona.

March 27, 2023: North Korea <u>fires</u> two short-range ballistic missiles toward the East Sea.

March 29, 2023: President Yoon and President Biden <u>announce</u> that South Korea will host the third Summit for Democracy.

March 29, 2023: South Korea and the United States <u>conduct</u> major amphibious assault drills.

March 30, 2023: President Yoon <u>nominates</u> Cho Hyun-dong as South Korean ambassador to the United States following the resignation of Kim Sung-han.

March 30, 2023: President Yoon <u>asks</u> United States Trade Representative Katherine Tai to "make favorable considerations" so that South Korean companies operating in the US will not experience difficulties related to the US Inflation Reduction Act and CHIPS Act.

March 30, 2023: US Ambassador to South Korea Philip Goldberg <u>states</u> that steps that President Yoon is making to promote reconciliation between South Korea and Japan deserve "great credit."

March 30, 2023: South Korea's Trade Minister Ahn Duk-geun and USTR Tai <u>discuss</u> the US Inflation Reduction Act and the CHIPS and Science Act. Ahn asks for further negotiations for the possible revision of US Section 232 tariff rules.

March 31, 2023: United States National Security Council coordinator John Kirby <u>states</u> that a potential arms deal is being arranged between Russia and North Korea.

March 31, 2023: Kurt Campbell, National Security Council coordinator for the Indo-Pacific, <u>commends</u> President Yoon for taking unilateral steps to improve ties with Japan.

April 1, 2023: South Korea <u>welcomes</u> the new guidelines that the Department of Treasury set under the US Inflation Reduction Act which would "substantially" relieve the uncertainty that South Korean domestic battery and material industries had and will "strengthen" the battery supply chain cooperation between the two countries.

April 3, 2023: South Korea, the United States, and Japan <u>hold</u> a trilateral naval exercise

featuring the USS *Nimitz* carrier that is focused on enhancing response capabilities against underwater threats.

April 4, 2023: South Korean National Security Adviser Cho Tae-yong <u>talks</u> with US National Security Advisor Jake Sullivan to discuss strengthening bilateral relations.

April 4, 2023: Mandiant, Google's cybersecurity unit, <u>finds</u> that a North Korean hacker group classified as APT43 has committed cybercrimes to fund the country's nuclear weapons program. APT43 has also collected information on COVID-19 vaccines and policy matters related to North Korea by sending spear-phishing emails to pharmaceutical firms, policymakers, and researchers.

April 5, 2023: South Korea and the United States <u>hold</u> combined air drills focused on practicing procedures to protect strategic bombers from potential aerial enemy threats.

April 8, 2023: North Korea <u>tests</u> the *Haeil-2* underwater strategic weapon system that the country claims can generate a "radioactive tsunami."

April 8, 2023: North Korea <u>denounces</u> South Korea and the United States' latest joint military drills and calls them an "unprecedented" war rehearsal.

April 10, 2023: A spokesperson for the Department of State <u>announces</u> that the US commitment to South Korea is "ironclad" when asked about recently leaked documents revealing (among other things) that the US may have eavesdropped on conversations at the South Korean presidential office. A South Korean presidential official <u>states</u> that South Korea will seek "appropriate measures" from the US if necessary after looking into the validity of the leaked documents.

April 11, 2023: South Korean Defense Minister Lee Jong-sup <u>talks</u> with Secretary of Defense Austin regarding recent news of leaked documents that the US wiretapped conversations of top South Korean national security officials. The two agree that a "great deal of disclosed information was fabricated." Kim Tae-hyo, South Korean principal deputy national security adviser, <u>states</u> that South Korea and the US believe that a "large portion" of the leaked classified documents may be fake and are considering the involvement of a "third party."

April 12, 2023: United States <u>condemns</u> North Korea's latest ballistic missile launch and urges the country to come to the table for negotiations.

April 12, 2023: South Korean FM Park Jin <u>states</u> that South Korea is working with the US to discuss recent allegations that US intelligence services eavesdropped on discussions between South Korean government officials regarding providing weapons to the US for use in Ukraine.

April 12, 2023: South Korea <u>plans</u> to stage a joint tabletop exercise between its military and government officials and state-run research centers to bolster its response system against dangers from space.

April 13, 2023: North Korea <u>fires</u> a new model of long-range ballistic missile toward the East Sea. North Korean leader Kim <u>states</u> that the launch "radically" promotes the effectiveness of its nuclear counterattack posture.

April 13, 2023: Chief nuclear envoys of the US, South Korea, and Japan <u>denounce</u> North Korea's latest missile provocation and express "deep concerns" over the unprecedented level of provocations from North Korea since the past year. NATO also <u>condemns</u> it.

April 13, 2023: A South Korean government official <u>states</u> that there is no "reason to conclude that the US has wiretapped" South Korean government officials. The official emphasize that not all intelligence collecting activities may not always be malicious and that "every country has the possibility of gathering intelligence," including South Korea.

April 13, 2023: During the Korea–US Integrated Defense Dialogue, South Korea and the US <u>agree</u> to strengthen cooperation in "each area of extended deterrence," including information sharing and crisis communication.

April 13, 2023: Eom Dong-hwan, minister of the Defense Acquisition Program Administration of South Korea, and Theodore Colbert, Boeing Defense, Space, and Security CEO <u>sign</u> a memorandum of understanding for joint research and development of advanced weapons.

April 14, 2023: South Korea and the United States <u>hold</u> joint air drills following North Korea's recent firing of an intercontinental ballistic missile.

April 15, 2023: South Korean Principal Deputy National Security Adviser Kim Tae-hyo <u>states</u> that there is a possibility that Japan could join the South Korea-US intelligence alliance. The three countries <u>agree</u> to hold regular missile defense and anti-submarine exercises at the Defense Trilateral Talks to deter and respond to North Korea's nuclear and missile threats.

April 16, 2023: During a visit to the United States, Kim Dong-yeon, governor of South Korea's Gyeonggi Province <u>attracts</u> a combined 4 trillion won in investment from four companies.

April 17, 2023: South Korea <u>considers</u> joining the Freedom Online Coalition and will discuss South Korea's potential participation in the coalition with the United States during President Yoon's upcoming visit to the United States.

April 17, 2023: South Korea, the US, and Japan <u>hold</u> a trilateral missile defense exercise in international waters of the East Sea to strengthen security cooperation against North Korea's advancing provocations.

April 17, 2023: South Korea and the United States <u>conduct</u> large-scale combined air drills to enhance combined operational capabilities of the allies' advanced fighters.

April 18, 2023: President Yoon <u>states</u> that the South Korea–US alliance is a "resilient value–based alliance" that can readjust even when their interests are in conflict.

April 18, 2023: The United States and South Korea <u>conducts</u> combined attack drills as part of the Korea Marine Exercise Program to strengthen capabilities and interoperability.

April 19, 2023: Georgia Gov. Brian Kemp <u>states</u> that the US Inflation Reduction Act is hurting Korean companies.

April 20, 2023: National Security Council coordinator for strategic communications Kirby <u>states</u> that the US is "grateful" for the support that South Korea has provided Ukraine and calls the country a "terrific ally" and friend.

April 20, 2023: North Korean leader Kim Jong Un <u>announces</u> the completion of the country's first military spy satellite. A State Department spokesperson states that the launch of this satellite would violate multiple UNSC resolutions.

April 21, 2023: North Korea's Foreign Minister Choe Son-hui <u>states</u> that North Korea's status as a global nuclear power is "final and irreversible" and will not seek recognition or approval from anyone as long as North Korea has the power to counter US nuclear threats.

April 24, 2023: President Yoon and First Lady Kim Keon Hee <u>arrive</u> in the United States to celebrate the 70th anniversary of South Korea– US relations.

April 24, 2023: John Kirby, National Security Council coordinator for strategic communications, <u>reaffirms</u> US commitment to South Korea following Russia's statement that they may consider sending arms to North Korea if South Korea provide lethal assistance to Ukraine.

April 25, 2023: President Yoon and President Biden <u>visits</u> the Korean War Veterans Memorial.

April 25, 2023: President Yoon <u>calls</u> for stronger South Korea-US cooperation on space exploration and science.

April 25, 2023: United States <u>sanctions</u> three individuals for providing support to North Korea's efforts to illegally generate funds for its nuclear and missile development programs.

April 26, 2023: President Biden <u>states</u> that a nuclear attack by North Korea against the United States or its allies and partners will result in the "end of whatever regime were to take such an action."

April 26, 2023: President Yoon <u>attends</u> a dinner hosted by President and First Lady Jill Biden to celebrate the 70th anniversary of the South Korea–United States alliance.

April 26, 2023: South Korean Prime Minister Han Duck-soo <u>meets</u> visiting Florida Gov. Ron DeSantis to discuss expanding economic cooperation, such as in space exploration and the aviation industry. **April 26, 2023:** Corporate officials from both South Korea and the US <u>sign</u> 23 MOUs to boost bilateral cooperation on advance science and energy industries, such as batteries, robots, and nuclear power generation.

April 26, 2023: President Yoon <u>meets</u> Tesla CEO Elon Musk to ask for his investment in a Gigafactory in South Korea. Yoon calls for greater cooperation between South Korean businesses and SpaceX.

April 26, 2023: Six US advanced technology firms <u>announce</u> plans to invest a combined \$1.9 billion in South Korea and to build production facilities in South Korea that will strengthen bilateral cooperation on supply chains and an environment-friendly energy and industrial structure.

April 26, 2023: President Yoon <u>states</u> that the South Korea–US alliance will not be "shaken" by leaked US documents that allegedly contained the contents of tapped conversations of top South Korean officials.

April 27, 2023: President Yoon and President Biden <u>adopt</u> the <u>Washington Declaration</u> to strengthen the United States "extended deterrence" commitment to South Korea.

April 27, 2023: President Yoon <u>addresses</u> the US Congress and states that South Korea and the US will "play the role as a compass for freedom" and will "safeguard and broaden the freedom of citizens of the world." In response to North Korean nuclear threats, Yoon emphasizes the need to "speed up" Korea-US-Japan trilateral security cooperation.

April 27, 2023: During a joint press conference with President Biden, Yoon <u>announces</u> that the two countries agreed to establish a Nuclear Consultative Group to conduct the new extended deterrence system laid out by the recently signed Washington Declaration.

April 27, 2023: An *Ohio*-class nuclear-powered ballistic submarine, the largest type of ballistic missile submarine operated by the US Navy, will <u>visit</u> South Korea to strengthen US extended deterrence.

April 27, 2023: President Yoon <u>sings</u> "American Pie" at the end of a state dinner.

April 28, 2023: During a meeting with Secretary of Defense Austin, President Yoon <u>states</u> that North Korea will be faced with a "resolute and overwhelming response, including the US nuclear capabilities" if they attempt to use nuclear weapons.

April 28, 2023: South Korean Prime Minister Han Duck-soo <u>meets</u> visiting Virginia Gov. Glenn Youngkin to discuss growing cooperation in space exploration and technology.

April 29, 2023: President Yoon <u>states</u> that the Washington Declaration is an "upgraded" version of the 1953 Mutual Defense Treaty and includes information sharing on nuclear and strategic operations and planning.

April 29, 2023: President Yoon <u>meets</u> with scholars at the Massachusetts Institute of Technology to discuss cooperation in areas of cutting-edge science such as artificial intelligence and bioscience.

April 29, 2023: Two representatives of the United States House of Representatives <u>introduce</u> a bipartisan bill to reauthorize and improve the North Korean Human Rights Act which expired in 2022.

April 29, 2023: Recent commercial satellite imagery <u>indicates</u> that North Korea is expanding its Yongbyon nuclear complex.

April 30, 2023: US Special Representative for North Korea Sung Kim <u>meets</u> South Korea's Representative for Korean Peninsula Peace and Security Affairs Kim Gunn to discuss joint responses to North Korea's nuclear threats.

April 30, 2023: North Korea <u>calls</u> out the Washington Declaration for being a "typical product of the heinous hostile policy" toward North Korea. North Korea states that it is "natural" to bolster its military deterrence in response to President Biden's statement that using nuclear weapons will result in the "end" of the North Korea regime.

April 30, 2023: South Korea–US summit <u>paves</u> the way for a strong bilateral semiconductor partnership as the two countries agree to build a partnership in case of any disruptions in the global supply chains. Chronology prepared by Pacific Forum research intern Kaylin Kim

PACIFIC FORTUR CONNECTIONS

A TRIANNUAL E-JOURNAL OF BILATERAL

RELATIONS IN THE INDO-PACIFIC

US-INDIA RELATIONS

AN EVEN LARGER ROLE IN EVERYTHING

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This chapter was made possible through a grant from the Hindu American Foundation.

On May 24, 2022, President Joe Biden met Indian Prime Minister Narendra Modi on the sidelines of the Quad summit in Tokyo. According to the White House readout of the meeting, "The leaders reviewed the progress made in the US-India Comprehensive Global Strategic Partnership. They <u>committed</u> to deepen the Major Defense Partnership, encourage economic engagement that benefits both countries, and expand partnership on global health, pandemic preparedness, and critical and emerging technologies." While such statements are often aspirational and lag in implementation, the first four months of 2023 show the renaissance in US-India ties to be real. Domestic politics in both countries are complex, but neither populists nor opposition parties in either India or the United States oppose or undermine growing partnership. While many summits end with lofty rhetoric and pledge to take relations to the next level, such promises often remain aspirational. Not so with US-India ties. Both countries also continue to lay the groundwork for far broader economic and commercial ties. Critical technologies and new supply chains solidify the strategic partnership. Mutual concern about the China threat encourages further defense cooperation.

This article is extracted from <u>Comparative Connections</u>: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: Akhil Ramesh and Michael Rubin, "US-India Relations: An Even Larger Role in Everything," *Comparative Connections*, Vol. 25, No. 1, pp 65–78.

Still, overcoming decades of distrust is not easy. Even so, the growing stockpile of goodwill, good communications, and enthusiasm for the future increasingly appears enough to keep the occasional misstep or insensitivity from derailing progress.

Elections and Infrastructure

Both Biden and Modi have consistently and vocally emphasized their desire to increase the share of manufacturing in their respective economies. For the US, this meant reviving lost glory of the 1990s when it was a market leader in what are today several vital and critical sectors such as semiconductor manufacturing and processing of critical minerals.



Figure 1 US President Joe Biden and India Prime Minister Narendra Modi during the G-20 Summit on Nov. 15, 2022 in Bali, Indonesia. Photo: Reuters

Through industrial policies such as the CHIPS and Science Act, the Inflation Reduction Act, and the bipartisan infrastructure law, the Biden administration has channeled investments from the private sector by offering generous subsidies. Recently, the Financial Times reported that conglomerates had committed to over \$200 billion in new investments over the last year as a product of these bills. Similarly, Modi, at almost the end of his second term in office has continued the policy focus on infrastructure and manufacturing with the government's annual budget featuring an increase in capital expenditure. That increase provides muchneeded capital for infrastructure investments throughout the nation, including for defense needs that have gained significance since the People Liberation Army's (PLA) incursions into Indian territory.

Moreover, while India has officially surpassed China to become the most populous nation in the world, it continues to face public and private infrastructure bottlenecks impacting not just business and trade interests but the larger quality of life for the poorest Indians. A region that was in dire need of such infrastructure was India's northeast. Successive coalition governments led by national founder Jawaharlal Nehru's Indian National Congress (INC) adopted a policy of neglect, wherein any intervention was deemed a violation of the sovereign rights of the ethnic groups that called that region home.

By failing to prioritize India's northeastern states, both in terms of infrastructure development and security, New Delhi was making a part of the nation highly vulnerable to foreign interference, particularly by Myanmar and—to a much larger extent—China. The Modi government's infrastructure push in this region and the rehabilitation of several separatist outfits by the India-Myanmar border has earned him widespread support in the area. Notably, in early 2023, the Bharatiya Janata Party (BJP) won elections in three Christian majority states of northeast India, demonstrating that the BJP's platform is successful across religious boundaries. Even a decade ago, this would have been considered impossible. The Modi government's drive to cut red-tape and develop infrastructure have resonated with most northeastern states in India.

The Biden administration's legislative successes such as the IRA and CHIPS and Science Act caused considerable discontent among its allies and partners in East Asia and Europe. New Delhi's response to this legislation has ranged from oblivious to welcoming. New Delhi's standard operating procedure does not include offering policy recommendations nor criticizing domestic policies of partner nations, but even the Indian business community has not overtly criticized nor expressed concerns about such policies as have their East Asian or European peers. This is a product of shared concerns over a rising and authoritarian China. Starting with the response to the Galwan valley clash, thereafter with the Doklam, New Delhi's response to Chinese acts of aggression consistently have а strong economic component. India prefers using tools of economic statecraft over conventional retaliation in its clash with China. For example, while Washington is still deliberating a ban on TikTok. New Delhi has set an example for successfully curbing Chinese influence through its businesses by banning all or most Chinese mobile applications in the country.

In late April, the US National Security Advisor Jake Sullivan, speaking to a packed audience at Brookings Institution, clarified the administration's agenda of creating new economic and trade coalitions and the risk of isolating traditional allies and partners. This paradigm shift in the conceptualization of economic policy in Washington DC, wherein trade policy and national security policymaking intersect at varying points to influence each other, has support among historically protectionist traders such as India. The "New Washington Consensus," as some analysts have described it, resonates in New Delhi, which even after its partial liberalization, privatization, and globalization (LPG) measures in 1991 holds on to trade protectionism, citing the welfare of domestic workers and industry. With the new Washington Consensus, New Delhi and Washington not only have identified shared threats, but similar mechanisms to address them.



Figure 2 US National Security Adviser Jake Sullivan's "New Washington Consensus" resonates in New Delhi. Photo: AP

While Washington's infrastructure drive seeks a revival of manufacturing, an increase in jobs and the transition to a green economy, both the Modi and Biden administrations' mandate was partially realized in the last four months.

With the announcement that Biden be will running for a second term in 2024, both he and Modi will be contesting elections in 2024. Regardless of the result, the US-India partnership will continue to flourish. The catalyst for bipartisan cooperation has been growing consensus that China poses a shared threat to both the world's largest and oldest democracies. Relations have expanded beyond political ties to people-to-people and business partnerships, particularly in the hightechnology sphere.

Critical Technology is Critical to Bilateral Ties

The US-India partnership is on a steady upward trajectory as a result of Washington and New Delhi making a concerted effort to move past Cold-War differences and toward advancing Indo-Pacific synergies. The major backers of this recalibration were not Washington nor New Delhi but Silicon Valley and India's own version of Silicon Valley, Bengaluru. Since the Y2K years, US software companies have relied on Indian engineers to program and code complex software. This reliance on Indian technology talent coupled with the H1-B visa program gave birth to the information technology behemoths of Bengaluru. For the US, the technology giants of the '90s such as IBM. Oracle, and Microsoft and the new social media and e-commerce conglomerates Google, Amazon, Facebook, and Apple, or "GAFA," have grown exponentially by capitalizing on the abundant engineering talent from India and the largely liberal US visa system. This two-decade partnership not only transformed startups into billion-dollar technology powerhouses, but it has also paved the way for increased advanced and critical technological cooperation between the two governments.

During the Quad meeting in Tokyo in May 2022, Biden and Modi announced the US-India initiative on Critical and Emerging Technology (iCET). On Jan. 31, 2023, National Security Advisors Jake Sullivan and Ajit Doval inaugurated the iCET in Washington, DC. Not only Sullivan's presence, but that seniority of the entire US delegation, which included the administrator of the National Aeronautics and Space Administration (NASA), the director of the National Science Foundation, and senior officials from the Departments of State, Commerce, and Defense, signaled the importance Washington puts on developing ties with New Delhi. The same was true on the Indian side, with the government of India's principal scientific advisor, the chairman of the Indian Space Research Organization, the secretary of the Department of Telecommunications, and the director-general of the Defence Research and Development Organization accompanying Doval.

The meeting advanced cooperation. The two sides signed a partnership agreement between

the National Science Foundation and Indian science agencies to collaborate on a number of hot button and sensitive areas, such as artificial intelligence, quantum technologies, and highperformance computing. The two sides developed a bilateral Defense Industrial Cooperation Roadmap with a focus on jet engines, munitions, and other systems. Aircraft engines are two technologies on which India lags behind top powers. That the United States is not linking its support for India's qualitative military development to similar US deals with Pakistan show that the decades-old linkage that guided US policy toward South Asia is eroding, if not already obsolete. A second meeting later this year in New Delhi suggests both countries see iCET as a regular event, rather than a sporadic one.

Nor are marquee meetings the only venues for progress. In March 2023, Secretary of Commerce Gina M. Raimondo and Union Commerce & Industry Minister Piyush Goyal signed a Memorandum of Understanding on enhancing the semiconductor supply chain during the India-USA Commercial Dialogue in Delhi. As part of the agreement, the US Semiconductor Industry Association and the India Electronic Semiconductor Association decided to form a task force to <u>develop</u> a "readiness assessment" of both near-term opportunities and longerterm strategic development. Illustrative of the new environment was the warmth surrounding Raimondo's visit. In Delhi, Defense Minister Rajnath Singh hosted her at his official residence for celebrations of Holi, the festival of Colors, Love, and Spring. The following month, Union Finance Minister Nirmala traveled to Washington for World Bank-International Fund meetings, but separately <u>met</u> with US Treasury Secretary Janet.

The biggest developments, however, may not be government-government. In April 2023, Apple <u>opened</u> its first store in India. Apple's entry into India reflected the effort both to establish alternatives to China's dominance of supply chains and to <u>gain</u> a larger share of the market in a country that, according to the United Nations Population Fund, now has the world's largest population. Apple's strategy is already paying dividends. In 2019, Apple had only a 1% share of India's smartphone market; by 2023, that share had quintupled.

India's demographic reality appears ready to put its economy into overdrive. "India looks like China did 30 years ago," the *Wall Street Journal* explained. "It has a rapidly expanding workingage population with 610 million people under age 25, and relatively few older people to care for. It will be the only nation with a big enough labor force to approach China as the world's factory floor," if it can <u>overcome</u> poor infrastructure and self-defeating protectionist rules and regulations.



Figure 3 Tim Cook, CEO of Apple, at the grand opening of the company's first retail store in India. Photo: Apple

India's second-largest domestic air carrier, Air India, placed an order for 470 aircraft, valued at over \$34 billion with Boeing. Two hundred of them are to be made in the US. Celebrating this announcement, Biden referred to it as a historic purchase with a potential to create about a million jobs in 44 states across the US. This is another occasion where economic policies are in sync. As Sullivan said at the Brookings Institution in late April, the "New Washington Consensus" is not isolationist. Allies and partners can also benefit from the industrial policies.

Over the last seven years, the US has worked toward reshoring manufacturing and creating jobs within its shores and India under Modi has actively worked toward privatizing industry and revitalizing government enterprises that have potential. Recently, renowned economists touted the Indian economy as the major global economy with the lowest possibility for a recession in 2023. Coupled with its strong macroeconomic fundamentals, and policy reforms the Indian growth story is on the right track and the US technological and advanced manufacturing giants have lot to gain from a flourishing US-India partnership.

Furthermore, sectors such as critical minerals, batteries and semiconductors have renewed significance over the last three years due to geopolitical concerns over Taiwan and fears of weaponization of interdependence by China. In this environment, nations have embarked on scramble for critical minerals and India discovered one of the world's largest deposits of lithium within its shores. In February 2023, the Geological Survey of India <u>announced</u> a major perspective lithium find in Jammu and Kashmir's Pir Panjal mountain range. If initial estimates of the deposit's size -- 5.9 million tons of lithium – are correct, then the find might not only enable greater self-sufficiency for India, but also allow greater strategic partnership with the US, especially as the demand for lithium batteries for electric vehicles and other increases.



Figure 4 Critical minerals industries are becoming an increasingly key component of the US-India strategic partnership. Photo: Getty Images

Iron Brothers Turn Shamans, Reviving Ghosts from the Past

Upon partition in 1947, India's first prime minister, Jawaharlal Nehru, sought nonalignment in name although, in practice, New Delhi leaned closer to the Soviet bloc during the Cold War. This was part in ideological given the anti-colonial sentiment that India's first leaders embraced, and part practical: Nehru's rebuff of President Harry Truman's calls for partnership led the United States to ally with Pakistan.

With the downfall of the Soviet Union, the United States and India reconsidered their diplomatic positions. Neither the US nor India define their core national interests the same, but since the first decade of the 21st century, neither Washington nor New Delhi has been willing to allow their differences to impede development of stronger foreign policy and security ties. While skeptics such as Ashley Tellis, Tata Chair for Strategic Affairs and a Senior Fellow at the Carnegie Endowment for International Peace (and an architect of US-India rapprochement under George W. Bush's administration), have <u>downplayed</u> the potential of US-India strategic ties based on mutual concern about China, this concern apparently fails to see the forest through the trees. Prime Minister Manmohan Singh was the guest of honor for President Barack Obama's first state dinner. In Washington, even as criticism of Modi's human rights record persists, the strategic embrace of India remains a bipartisan endeavor.

India continues to participate in the Shanghai Cooperation Organization (SCO), including hosting a meeting of SCO member country national security advisors on March 22, 2023. India's participation remains part of its broad engagement approach and does not suggest ideological fealty to the SCO's geopolitical leanings, especially given the presence of rivals China and Pakistan in the bloc. Rather, India finds the SCO as a useful venue for diplomacy. Doval has repeatedly used the SCO as cover for talks with his Russian counterpart Nikolai Patrushev.

India increasingly relishes its role as an international mediator. Ukrainian Deputy Foreign Minister Emine Dzhaparova traveled to New Delhi in April 2023 to advocate for stronger ties between India and Ukraine. She called on India to play a greater role both on the Ukraine issue and globally.

It is unclear for how much longer India will be able to pursue warm ties with all parties, however. In a March 2023 meeting, Japanese Prime Minister Kishida Fumio pushed Modi to choose between the world's democracies and its business and military dealings with Russia. "I want to stop Russia's invasion as fast as possible," Kishida explained. "To achieve that, the international community, including the Global South, must speak out." India appears unwilling to submit to any ultimatum however; rather, it has continued talks in pursuit of an India-Russia free trade agreement, though these have yet to come to fruition. Russia seeks Indian goods to compensate for Western sanctions and the exit of many Western companies; many Indian businesses see a business opportunity to expand into an important market. The danger here, though, is if expansion into Russia comes at the expense of

opportunities for trade in the West. California, Texas, and New York each individually have economies greater than that of Russia.



Figure 5 Indian Prime Minister Narendra Modi at the summit of the Shanghai Cooperation Organization member states in Samarkand, Uzbekistan last September. Photo: Foreign Ministry of Uzbekistan/Reuters

While the Pentagon worries about India's military ties to Russia, Russia's inability to honor arms delivery contracts to India due to its own needs in Ukraine provide an opportunity for the United States to expand military trade with India. While the Indian Air Force did not specify the contents of the "major delivery" on which Russia would default, India had been expecting further fulfillment of a \$5.4 billion of S-400 *Triumf* air defense system units it had ordered in 2018, only a <u>portion</u> of which Russia sent.

The United States solidified its ties with India in two important ways in March 2023. First, the Senate confirmed former Los Angeles mayor Eric Garcetti to be ambassador. Garcetti's confirmation ended a more than two-year period in which various chargés or interim appointees filled the position. Biden appointed Garcetti six months into his presidency already a delay long enough that Indians could take offense — but his appointment languished due to concerns among Senate Democrats that he had not responded forcefully enough to sexual harassment and bullying allegations against a staff member. That Biden reappointed Garcetti in the new Congress and he won confirmation puts the day-to-day management of US-India affairs on more stable footing.

Also in March 2023, word leaked that the United States had provided India with important intelligence during a December 2021 clash between Indian forces along the Line of Actual

Control in Arunachal Pradesh. The near realtime intelligence that the US provided enabled India not only to avoid any casualties, but also enabled the Indian Army to force a Chinese retreat. While senior Indian government officials had been previously privy to the fact of US intelligence sharing, wider dissemination might show Indians traditionally more reticent about security ties that Washington is interested in a two-way relationship and that India has something to gain from cooperation with the US. China's continued bluster toward the region renaming towns and villages in state and asserting a Chinese claim to sovereignty — only drives New Delhi closer to Washington. After Home Minister Amit Shah visited the eastern state, Chinese Foreign Ministry spokesman Wang Wenbin quipped, "The Indian official's visit to Zangnan [the Chinese name for Arunachal Pradesh] violates China's territorial sovereignty and is not conducive to the peace and tranquility of the border situation."

Similarly, China's alleged cooperation with Myanmar to build a surveillance station in the Coco Islands in the eastern Bay of Bengal also heightened India-China tension. While in the early 2000s the Indian Navy alerted the Indian government of the alleged securitization of the island by China, the development did not impact India-Myanmar relations at that time. Moreover, the Burmese military invited Indian defense officials to put to rest concerns of military infrastructure development. Fast forward to 2023, the PRC has allegedly again revived military activity on the islands, potentially providing an alternative route to the Indian Ocean and a fix to the Malacca Dilemma. Arindam Bagchi, a spokesman for India's Ministry of External Affairs, said India would take "necessary measures" to address the issue. "The government keeps a constant watch on all developments having a bearing on India's security," he said.

There are storm clouds on the horizon with regard to US-India ties. India's August 2019 revocation of Article 370 that had granted Jammu and Kashmir special, autonomous status undermined Pakistani efforts to utilize Kashmiri separatism as a lever against India. Over the subsequent three and a half years, Kashmir's security has increased and its economy has grown. This has apparently <u>led</u> Pakistan's security apparatus to begin supporting Sikh separatism under the guise of the so-called Khalistan movement. Within the Indian security apparatus, there is growing concern that the US remains either aloof to the Khalistani threat and/or does not recognize that Khalistani activists are not indigenous. Friction continues as Khalistani activists that New Delhi insists Pakistani's Inter-Services Intelligence agency direct both fundraise in the United States and demonstrate increasingly violently. A March 19, 2023, attack by pro-Khalistan protestors that <u>damaged</u> India's consulate in San Francisco highlighted this trend.

Conclusion

The White House coordinator for Indo-Pacific affairs, Kurt Campbell, early in 2023, singled out India as the major US diplomatic focus for the upcoming year. Speaking at an event, he <u>said</u> "our interests are to see India playing an ever larger, responsible role in almost everything that we're doing." To that end, the first four months of 2023 were a great start.

The US-India partnership continued to expand in the four months between January and April 2023. Defense, technology and economic cooperation grew significantly in scope. The Biden administration's democracy summit, Quad meetings, and bilateral meetings between various divisions and departments of the US and Indian governments show there will be no lack of engagement at the highest levels of government. Supplementing the high-level cooperation, people-to-people ties will witness a revived enthusiasm thanks to Secretary of State Antony Blinken's work to ease the visa backlog in consulates in India. This will allow more Indian students and professionals to travel to the US and back with ease.

The synergies in macroeconomic policies in both countries enabled complimentary business and technological agreements such as iCET. With India actively seeking alternatives to Russian defense imports, partners for a rapid transition to a renewable energy powered economy, and to advance in the fourth industrial revolution, the US has been forthcoming with security, technology and economic partnerships and in the coming months that trend will gather momentum.

CHRONOLOGY OF US-INDIA RELATIONS

JANUARY—APRIL 2023

Jan. 9, 2022: Assistant Director of the US National Science Foundation Margaret Martonosi <u>arrives</u> in New Delhi to further bilateral collaboration on science and technology.

Jan. 10, 2022: US Ambassador Elizabeth Jones <u>announces</u> a US government-funded project to support conservation and restoration at the Paigah Tombs, the fifth cultural preservation project in Hyderabad.

Jan. 10, 2023: US State Department's Assistant Secretary of the Bureau of South and Central Asian Affairs Donald Lu <u>visits</u> India and Bangladesh to engage with government officials and civil society to further energy, trade, labor and security partnerships and promote human rights in the region.

Jan. 11, 2023: During a visit from Jan. 8–12, Indian Minister of Commerce and Industry, Consumer Affairs, and Food and Public Distribution and Textiles Piyush Goyal <u>participates</u> in the 13th India–US Trade Policy Forum, <u>hosted</u> in tandem with United States Trade Representative Katherine Tai. They discuss complementarities and how to forge robust bilateral trade and investment ties. He also <u>meets</u> Secretary of Commerce Gina Raimondo to discuss the upcoming commercial dialogue, CEO Forum, and continuing work under the Indo–Pacific Economic Framework.

Jan. 12, 2023: US Assistant Director for Computer and Information Science and Engineering at the National Science Foundation Margaret Martonosi <u>meets</u> Indian Secretary of Department of Science and Technology Dr. Chandra Srivari. They express a keen interest in collaborating in critical and emerging technologies.

Jan. 12, 2023: USS *Anchorage* (LPD23) participates in a cooperative deployment alongside the Indian Navy's *Kora*-class corvette *INS Karmuk* (P64) in the Indian Ocean.

Jan. 13, 2023: US National Science Foundation <u>discusses</u> and proposes deeper cooperation with India in areas like AI, cyber security, quantum, semiconductors, clean energy, advanced wireless, biotechnology, geosciences, astrophysics, and defense.

Jan. 13, 2023: Officials representing the State Department's Bureau of East Asian and Pacific Affairs <u>meet</u> Indian Ministry of External Affairs' Joint Secretary Ambule at the East Asia Consultations.

Jan. 14, 2023: Indian Minister of Petroleum and Natural Gas Hardeep Singh Puri <u>meets</u> virtually with Secretary of Energy Jennifer Granholm at the India-US Forum to spotlight bilateral energy trade.

Jan. 15, 2023: US Secretary of State <u>delivers</u> remarks for the India–US Forum.

Jan. 17, 2023: India Ambassador to the US Sandhu <u>meets</u> with the Center for Disease Control to discuss health care cooperation as a key pillar of the bilateral relationship.

Jan. 17, 2023: Director of United States Trade and Development Agency Enoh T. Ebong <u>meets</u> Indian Ministry of Earth Sciences and Ministry of New and Renewable Energy, underscoring USTDA support for innovative ocean thermal energy conversion project for the Andaman and Nicobar Islands as part of its global procurement initiative.

Jan. 17, 2023: Indian Joint Secretary Jagdale of the Ministry of New and Renewable Energy <u>meets</u> US International Trade Administration Assistant Secretary Aran Venkataraman to identify opportunities for US clean-tech companies to assist India in achieving energy sustainability goals. Venkataraman also <u>meets</u> Secretary Barthwal and Joint Secretary Kumar of the Indian Ministry of Commerce and Industry to advance the upcoming bilateral commercial dialogue. **Jan. 23, 2023**: Ambassador Sandhu <u>addresses</u> the India–US space roundtable to discuss opportunities for bilateral partnership in the commercial space sector.

Jan. 24, 2023: Ambassador Sandhu <u>attends</u> the 60th anniversary celebrations of the Office of the US Trade Representative at the White House.

Jan. 24, 2023: USAID and AMCHAM India sign MOU to expand areas of collaboration between US and Indian businesses in support of India's development goals, committing to leverage combined capacities to address the climate crisis, advance gender equity, bolster public health, and more.

Jan. 25, 2023: Ambassador Sandhu <u>hosts</u> US Deputy National Security Advisor Vikram Misri, Principal Deputy National Security Advisor Jon Finer, Indo-Pacific coordinator Dr. Kurt Campbell, and representatives from the US administration, think-tanks, strategic community and industry at the India House.

Jan. 25, 2023: State Department Bureau of South and Central Asian Affairs <u>recognizes</u> the 74th Republic Day of India and celebrates India's Constitution, reaffirming the bilateral partnership as one of the most consequential.

Jan. 26, 2023: Deputy Secretary of State Wendy Sherman <u>speaks</u> at Shatter Summit to underscore the importance of women's economic advancement to India's growth and socioeconomic development in the Indo-Pacific.

Jan. 27, 2023: Ambassador Sandhu <u>meets</u> with former Secretary of Defense Gen. Mattis (r) to discuss the bilateral strategy and defense partnership.

Jan. 27, 2023: Department of Justice officials and colleagues from the Consumer Protection Branch and FBI <u>meet</u> Indian officials in the Central Bureau of Investigation. They commit to further cooperation in combating cybercrime and safeguarding citizens.

Jan. 30, 2023: Chairman of the Joint Chiefs of Staff Gen. Mark Milley <u>meets</u> Indian National Security Adviser Ajit Doval to discuss bilateral cooperation. **Jan. 30, 2023**: White House National Security Advisor Jake Sullivan, Secretary of Commerce Gina Raimondo, Indian National Security Adviser Ajit Doval <u>meet</u> with representatives from industry, academia, and thought leaders at a roundtable on critical and emerging technologies.

Jan. 30, 2023: Under–Secretary of State for Political Affairs Victoria Nuland <u>meets</u> Minister Jaishankar to discuss the Indian subcontinent, the Indo–Pacific, and convergences in the bilateral relationship.

Jan. 31, 2023: Ambassador Sandhu, NASA Administrator Bill Nelson, and chairman of the Indian Space Research Organization S. Somanath <u>address</u> the India–US Civil Space Joint Working Group at the US State Department.

Jan. 31, 2023: India's Department of Science and Technology <u>signs</u> an Implementation Arrangement with the US National Science Foundations, in the presence of Indian National Security Adviser Ajit Doval and US National Security Advisor Sullivan. The latter two <u>meet</u> to review bilateral initiatives, discuss the launch of the Initiative on Critical and Emerging Technologies, and share assessments of global and regional developments.

Jan. 31, 2023: Deputy Secretary of Defense Dr. Kathleen Hicks <u>meets</u> Indian National Security Adviser Ajit Doval to discuss bilateral defense cooperation and regional security issues.

Jan. 31, 2023: Ambassador Sandhu <u>hosts</u> Indian National Security Advisor Ajit Doval, Sen. Mark Warner and John Cornyn at India House. On the same day, he also <u>meets</u> with US Secretary of Commerce Raimondo.

Jan. 30, 2023: 8th US–India Civil Space Joint Working Group meeting <u>takes</u> place, marking discussions on improving spaceflight safety, satellite systems for global navigation, commercial space cooperation and more. The meeting <u>highlights</u> the Synthetic Aperture Radar (NISAR) Mission, which will measure changes in the earth's surface.

Jan. 31, 2023: Indian Foreign Secretary Ambassador Vinay Mohan Kwatra <u>meets</u> Under-Secretary of State for Political Affairs Nuland to discuss deepening the strategic relationship. **Feb. 1, 2023**: Indian National Security Advisor Doval <u>meets</u> Secretary of State Blinken at the State Department to <u>exchange</u> views on global and regional issues of mutual interest and strengthening the India-US Comprehensive Global Strategic Partnership.

Feb. 2, 2023: Ambassador Sandhu meets Rep. Ro Khanna, co-Chair of the House India Caucus to discuss the strategic relations, economic, healthcare, renewables and knowledge partnership. He also meets Chairman of the House Foreign Affairs Committee Michael McCaul, Congressman Pete Sessions, Senate majority leader Chuck Schumer and **Congresswoman** Young Kim, recently appointed chair of the Subcommittee on the Indo-Pacific in the House Foreign Affairs Committee.

Feb. 2, 2023: Quad Senior Cyber Group <u>meets</u> to reaffirm advancing a free and open Indo–Pacific and enhancing cybersecurity cooperation and resilience.

Feb. 3, 2023: During his official visit to the US, Indian Principal Scientific Advisor Professor Ajay Kumar Sood <u>meets</u> Dr. Arati Prabhakar, director of the White House Office of Science and Technology Policy and Science Advisor to President Biden.

Feb. 3, 2023: Minister Sitharaman <u>meets</u> business leadership from the US to discuss implications of India's Budget 2023 for green growth, infrastructure, digitalization, startups, skilling and other strands that deepen bilateral linkages.

Feb. 3, 2023: Indian Secretary of the Department of Space and Chairman of the Indian Space Research Organization <u>meets</u> with government and industry representatives in the US.

Feb. 3, 2023: India's G20 Sherpa Amitabh Kant <u>meets</u> US Ambassador Elizabeth Jones to discuss India's G20 priorities, digital transformation and digital public infrastructure.

Feb. 4, 2023: NASA's Jet Propulsion Laboratory hosts send-off ceremony with the Indian Space Research Organization to celebrate a flagship project of space cooperation. The NASA satellite will head to southern India ahead of its planned 2024 launch.

Feb. 6. 2023: USAID India's Acting Deputy Mission Director John Smith-Sreen and Principal Chief Conservator of Forestry of the Rajasthan Forest Department Dr. D.N. Pandey <u>launch</u> the "Trees Outside Forests in India" program to mitigate climate change, improve resilience of farming systems and increase farmer incomes in the state.

Feb. 7, 2023: US National Security Advisor Sullivan and Quad counterparts <u>launch</u> a cyber challenge to advance cybersecurity.

Feb. 7, 2023: India Office of the Office of Global Policy and Strategy of the US Food and Drug Administration <u>meets</u> Goa's Directorate of Food and Drugs Administration to discuss areas of collaboration. It culminates with a meeting with Health Secretary Shri Arun Kumar Mishra.

Feb. 8, 2023: Indian Foreign Secretary Vinay Kwatra <u>participates</u> in the COVID Global Action Plan Foreign Ministerial meeting hosted by Secretary of State Blinken and reiterates India's commitment to strengthening global health security, including during India's G20 presidency.

Feb. 9, 2023: Assistant Secretary of Defense for Indo-Pacific Security Affairs Ely Ratner <u>notes</u> significant US investments in defense ties with India to uphold a favorable balance of power in the Indo-Pacific.

Feb. 13, 2023: Dr. Asmeret Berhe, director of the Office of Science for the Department of Energy, <u>visits</u> the Office of the Principal Scientific Adviser of India to discuss further advance cooperation on basic science and between Indian institutions and Fermilab in the US.

Feb. 14, 2023: Prime Minister Modi and President Biden <u>meet</u> to review ongoing and new initiatives to deepen the India-US Comprehensive and Global Partnership and welcome the Air India–Boeing agreement.

Feb. 14, 2023: Secretary of Commerce Raimondo <u>announces</u> that Air India will purchase over 200 US-made aircraft, which will be Boeing's third biggest sale of all time and support over 1 million jobs across 44 states. **Feb. 14, 2023**: Geoffrey Pyatt, Assistant Secretary of State for Energy Resources at the US Department of State, <u>meets</u> Principal Secretary of the Ministry of Energy of the Indian State of Maharashtra Abha Shukla

Feb. 15, 2023: US <u>displays</u> defense technology at Aero India 2023, including the most advanced military aircraft such as a fifth–generation *F*₃₅ fighter jet. Aero India 2023 is Asia's largest aviation event and hosts government delegations and corporate executives.

Feb. 17, 2023: Geoffrey Pyatt, assistant secretary of state for energy resources, <u>meets</u> with the Indian Ministry of Petroleum to discuss collaboration towards a clean energy transition.

Feb. 20, 2023: Prime Minister Modi <u>meets</u> a US Congressional delegation led by Senate majority leader Chuck Schumer. They discuss strong bipartisan support from the Congress for deepening bilateral ties anchored in shared democratic values and strong people-to-people ties. Minister Jaishankar also <u>meets</u> with the delegation.

Feb. 22, 2023: India joins the Agriculture Innovation Mission for Climate to increase investment in agricultural innovation for climate-smart agriculture and food systems at the India-Israel-UAE-USA (I2U2) Sherpas meeting held in Abu Dhabi. India's Secretary of External Relations Dammu Ravi <u>attends</u>.

Feb. 23, 2023: Minister Sitharaman <u>meets</u> Treasury Secretary Janet Yellen ahead of the first G20 Finance Ministers and Central Bank Governors Meeting in Bengaluru. They exchange views on finance track priorities under India's G20 presidency, cooperation on the evolution of multilateral development banks, and India's leadership role to promote sovereign debt restructuring.

Feb. 25, 2023: Secretary Yellen <u>meets</u> US and India technology sector executives at a roundtable in Bengaluru to discuss deepening bilateral economic ties and bolstering digital public infrastructure.

Feb. 26, 2023: Indian Minister of Water Resources Jal Shakti <u>visits</u> Washington, DC.

Feb, 27, 2023: US delegation of the Joint Working Group on Aircraft Carrier Technology Cooperation and Indian Naval team <u>meet</u> in New Delhi on Feb. 27–28, 2023.

Feb, 27, 2023: Eleven-member US delegation of the Joint Working Group on Aircraft Carrier Technology Cooperation headed by US R Adm. James Downey <u>meets</u> the carriers and Indian naval team led by Indian R Adm. Sandeep Mehta.

March 2, 2023: Minister Jaishankar <u>meets</u> Secretary of State Blinken on the margins of the G20 Foreign Ministers Meeting.

March 2, 2023: Chief of Defense Staff of the Indian Armed Forces Anil Chauhan <u>meets</u> Commander of the US Indo-Pacific Command Adm. John Aquilino to discuss regional and maritime security, issues of bilateral interest, and avenues to strengthen defense cooperation.

March 2, 2023: Minister Jaishankar <u>meets</u> Quad counterparts (Australian Minister for Foreign Affairs Penny Wong, Japanese Minister of Foreign Affairs Hayashi Yoshimasa, and Secretary of State Blinken) to reaffirm support for an inclusive, resilient, free and open Indo-Pacific. They <u>release</u> a joint statement following the meeting. Blinken and Jaishankar also <u>hold</u> a bilateral meeting to discuss expanding technology and defense cooperation, increasing food, energy, and health security, and tackling a range of shared global and regional challenges.

March 3, 2023: Indian Defense Secretary Aramane Giridhar <u>meets</u> Adm Aquilino. Aquilino <u>attends</u> the Raisina Dialogue with Secretary Blinken.

March 3, 2023: Ambassador Sandhu joins other Quad Foreign Ministers at the Raisina Dialogue 2023, including Secretary Blinken. Blinken <u>reaffirms</u> that the Quad is a vital part of the US vision for a free and open Indo-Pacific.

March 7, 2023: Indian Defense Minister Rajnath Singh <u>meets</u> an American Jewish Committee Delegation to discuss areas of common interest such as enhanced defense cooperation. Minister Jaishankar also <u>meets</u> with the delegation to discuss the sea change in India–US and India– Israel relationships since 2014. Indian Minister for Housing, Urban Affairs, Petroleum and Natural Gas Hardeep Singh Puri also <u>receives</u> the delegation. **March 8, 2023**: Secretary Raimondo <u>celebrates</u> Holi with Minister Jaishankar and Indian Defense Minister Rajnath Singh at the latter's new residence.

March 9, 2023: Indian Finance Minister Nirmala Sitharaman <u>meets</u> Secretary Raimondo to discuss India's G20 priorities and other issues of mutual interest. Minister Jaishankar <u>meets</u> Raimondo to discuss strategic trade, resilient and reliable supply chains, and trust and transparency in the digital domain.

March 9, 2023: Secretary Raimondo <u>meets</u> Indian National Security Advisor Doval to discuss the bilateral commercial relationship and opportunities to deepen bilateral economic linkages. She also <u>meets</u> Indian Minister of Education and Skill Development and Entrepreneurship Dharmendra Pradhan to discuss the Indo-Pacific Economic Framework for Prosperity Upskilling Initiative, India's initiatives on skill development, and more.

March 10, 2023: Secretary of Commerce Raimondo meets PM Modi. She also meets CEOs and industry leaders in New Delhi to strengthen the bilateral commercial partnership, joined by the Indian Minister of Commerce and Industry Piyush Goyal. Raimondo and Goyal also sign a Memorandum of Understanding on semiconductors and electronic supply chains. They host a joint press conference following the India-USA Commercial Dialogue to address supply chain resiliency, quality standards, clean energy, and other topics. Indian Minister of State for Railways and Textiles Darshana Jardosh meets Raimondo as well to showcase circular and sustainable Indian handloom and handicrafts.

March 14, 2023: Secretary of Commerce Raimondo <u>meets</u> PM Modi to discuss the strength of the bilateral relationship, including partnerships in technology and innovation.

March 15, 2023: US Navy and Indian Navy <u>meet</u> through the Indo–US Joint Technical Group Initiative. Discussions are held under the Maritime Technical Working Group on March 14, 2023, in New Delhi.

March 16, 2023: Indian Navy's P8I in Guam <u>participates</u> in *Exercise Sea Dragon 2023*, the third edition of the coordinated multilateral antisubmarine warfare exercise for LRMR ASW aircraft conducted by the US Navy on March 15-30, 2023. Aircraft from the US, India, Japan, Canada, and Korea engage in tracking simulated and live underwater targets.

March 17, 2023: Counselor of the Department of State Derek Chollet <u>calls</u> Indian Foreign Secretary Ambassador Vinay Mohan Kwatra to discuss the shared commitment to a prosperous, free, and open Indo-Pacific and the strength of the bilateral partnership.

March 24, 2023: Ambassador Sandhu <u>addresses</u> the launch of the Bay Area Economy third Report on India, which highlights initiatives in the technology sector and the California-India corridor.

March 24, 2023: Eric Garcetti <u>is</u> sworn in by Vice President Kamala Harris as US Ambassador to India. Ambassador Sandhu <u>meets</u> Garcetti to discuss priorities in deepening the bilateral partnership.

March 28, 2023: US–India Joint Technical Group <u>convenes</u> its 22nd meeting to discuss opportunities to advance defense science and technology collaboration between India and the US.

March 29, 2023: Prime Minister Modi <u>delivers</u> remarks at the Summit for Democracy.

March 29, 2023: US Navy vessel *Matthew Perry* <u>returns</u> to Indo-Pacific waters after voyage repair in India, reflecting the commitment of the US Navy and Department of Defense to utilize repair facilities in India.

March 31, 2023: Quad Maritime Security Working Group <u>convenes</u> in the US, reiterating steadfast cooperation to support Indo-Pacific partners in meeting maritime challenges and preserving security, stability, and prosperity for all.

April 6, 2023: US Secretary of Commerce Raimondo <u>visits</u> New Delhi.

April 8, 2023: Ambassador Sandhu <u>receives</u> the Hero Award from Sikhs of America, where he highlights the strengthening of the bilateral partnership, technology and infrastructure transformation in India, and youth opportunities.

April 11, 2023: Ambassador Sandhu and Minister Sitharama <u>meet</u> Secretary of the Treasury Yellen to <u>discuss</u> the bilateral economic partnership and engagement in multilateral fora. Sitharama <u>expresses</u> appreciation for the multi-faceted bilateral partnership and called for further cooperation in addressing global economic challenges, including climate change. She also highlights the role of the G20, Quad, and IPEF in fostering this partnership. Sandhu and Sitharama then <u>visit</u> NASA's Goddard Space Flight Center to foster deepening bilateral partnership in space collaboration.

April 12, 2023: Ambassador Sandhu <u>hosts</u> Minister Sitharaman and guests from the White House, National Security Council, State Department, World Bank, IMF, development agencies, industry, non-profit organizations, think tanks, and senior officials from India.

April 14, 2023: Minister Sitharaman <u>delivers</u> keynote address during a seminar on India's digital public infrastructure (DPI), organized by the IMF on public-private cooperation in DPI.

April 15, 2023: Ambassador Sandhu <u>hosts</u> Minister Sitharaman and Secretary of Commerce Raimondo at India House to celebrate India's diverse cultural festivals at a "Celebrating Togetherness" event in Washington DC.

April 16, 2023: Minister Jaishankar <u>meets</u> Secretary of State Blinken to discuss current regional and global issues, noting steady progress in bilateral ties.

April 18, 2023: FBI Assistant Director of International Operations Raymond Duda <u>visits</u> New Delhi to further cooperation with law enforcement agencies to combat international crime.

April 20, 2023: Indian Minister for Environment, Forest and Climate change and Labor and Employment Bhupender Yadav <u>participates</u> virtually in the Leaders Meeting of the Major Economies Forum on Energy and Climate hosted by President Biden. He highlights India's commitment to climate action and emission-reducing initiatives.

April 20, 2023: Ambassador Sandhu <u>meets</u> North Carolina House Speaker Tim Moore and discuss deepening bilateral connections in education, skilling, and digital technology, as well as <u>Governor</u> of North Carolina Roy Cooper, <u>Secretary</u> of State Elaine Marshall, Commerce Secretary Sanders and other senior officials. Ambassador Sandhu <u>reaffirms</u> bilateral small business diaspora connections in Morrisville and celebrates potential for bilateral cooperation.

April 21, 2023: US Bureau of Cyberspace and Digital Policy <u>meets</u> with leaders from India to discuss strategies to counter cyber-threats and make the digital world a more secure place.

April 24, 2023: Sixth edition of *Cope India*-2023, an Air Exercise between the Indian and American Air Forces at Air Force Stations Kalaikunda, Panagarh and Agra <u>concludes</u>.

April 25, 2023: ARTPARK, an artificial intelligence and robotics technology park in India, <u>hosts</u> US Minister Counselor for Economic Affairs, Environment, Science and Technology Drew Schufletowski for discussions on entrepreneurship and bilateral science collaboration to advance critical and emerging technologies.

April 26, 2023: Secretary of Commerce Raimondo <u>meets</u> Indian Minister of Commerce and Industry Goyal to discuss progress on the Indo-Pacific Economic Framework for Prosperity ahead of the next round of negotiations.

April 26, 2023: US Assistant Secretary of Commerce for Export Administration Thea Kendler <u>visits</u> Bengaluru to expand bilateral engagement in the space sector through the US Export Controls Workshop for India's Commercial Space Industry.

April 27, 2023: 10th India–US Consular Dialogue <u>occurs</u> in Washington DC, with bilateral discussions on consular issues, visa matters, inter-country adoption, extradition, and people-to-people linkages.

April 27, 2023: Deputy Secretary of State for Management and Resources Richard R. Verma joins Ambassador sSandhu and Rep. Ro Khanna to discuss trade, energy, education, defense, and people-to-people ties between India and the United States. **April 27, 2023**: 10th US–India Consular Dialogue <u>takes</u> place in DC, reaffirming support for strong economic and people–to–people ties.

April 27, 2023: Commander of the Indo-Pacific Command Adm. Aquilino <u>participates</u> in a virtual Chief of Defense conference with senior military leaders from 24 countries, focusing on opportunities and challenges within the free and open Indo-Pacific.

Chronology prepared by Pacific Forum Non-resident Lloyd and Lilian Vasey Fellow Angela Min Yi Hou

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A TRIANNUAL E-JOURNAL OF BILATERAL

RELATIONS IN THE INDO-PACIFIC

US-SOUTHEAST ASIA RELATIONS

WASHINGTON ZEROES IN ON MANILA

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With an apparent renaissance in the US-Philippine alliance, spurred by rising tensions in the South China Sea and the Taiwan Strait, the Biden administration ramped up diplomatic activity with Manila as the two countries <u>moved</u> toward an official visit from President Ferdinand "Bongbong" Marcos, Jr., in May. At the same time, the 42nd iteration of *Cobra Gold*, which <u>returned</u> to full strength for the first time since the 2014 coup in Bangkok, suggested momentum in the US-Thailand alliance, albeit with a lower profile. While the international environment continued to be roiled by US-China rivalry, the Russian war in Ukraine, and high food and commodity prices, Southeast Asia's own internal turmoil was evident. The junta in Myanmar <u>extended</u> the state of emergency and stepped up aerial bombing of areas held by the opposition and armed ethnic groups. As Indonesia takes up the ASEAN chair, prospects for implementing the Five-Point Consensus Plan are dim, if not dead. <u>Vietnam</u> and <u>Thailand</u> began leadership transitions— Hanoi with an anti-corruption purge and Bangkok with the launch of general elections—while Cambodian Prime Minister Hun Sen continued to <u>eviscerate</u> the opposition ahead of his near-certain reelection in July.

This article is extracted from <u>*Comparative Connections:*</u> A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: Catharin Dalpino, "US-Southeast Asia Relations: Washington Zeroes in on Manila," *Comparative Connections*, Vol. 25, No. 1, pp 79–86.

As Southeast Asian leaders work to grow their economies in the wake of the COVID-19 pandemic, competition among them to attract foreign domestic investment is intensifying, particularly in technology and electric vehicles. In the meantime, the region <u>awaits</u> the conclusion of negotiations for the Indo-Pacific Economic Framework (IPEF), which will offer insight into Washington's vision of an economic order for the region.

The Philippines: "Modernizing" The Alliance

Although momentum in the US-Philippines alliance in the early months of 2023 shows forward movement, it was essentially backand-fill for the informal announcement in 2022 that the two partners would add four new projects to refurbish basing sites in the Philippines under the Enhanced Defense Cooperation Agreement (EDCA), adding to five previous ones. This was formally <u>confirmed</u> by the two governments in February. Apart from pre-positioning equipment and the use of these facilities for repairs and refueling, EDCA sites have the potential to host rotating US military personnel. The announcement of the new projects bodes well for the alliance, which had been in doubt at various times in the Duterte administration. but it is also an acknowledgement of the changing security environment in the Indo-Pacific. Although scattered, the new EDCA bases are intended to strengthen cooperation for defense of the Philippines' east coast, which includes Philippine islands facing the Taiwan Strait.

Washington and Manila raised the level of diplomatic activity in the four months of 2023. The formal announcement of the addition of four basing sites to EDCA was made while Secretary of Defense Lloyd Austin visited Manila in February. Assistant Secretary of State for East Asia and the Pacific Daniel Kritenbrink traveled to Manila for the US-Philippines Strategic Dialogue in January, and Undersecretary of State for Political Affairs Victoria Nuland visited in March. In April the two countries revived 2+2 Dialogue, which brought together US Secretaries of State and Defense Anthony Blinken and Lloyd Austin with their Philippine counterparts Enrique Manalo and Carlito Galvez. The 30th round of the Balikatan Exercises April 11-28 were the largest-ever, with a combined total of 17,000 military personnel. Over this time period, the State Department also issued two statements in support of the Philippines in the face of harassment from China in the South China Sea.

Throughout this heightened engagement are underlying issues of what Washington has labeled the "modernization" of the US-Philippine alliance. The lines drawn on the definition of mutual defense will be central to this discussion. In April, in response to a Chinese Foreign Ministry statement warning that US troop deployment in the Philippines would *increase* tensions in the region, Marcos said that the EDCA bases would only be used for Philippines' defense. An ongoing issue is the extent to which "gray zone" Chinese harassment of the Philippine vessels would invoke the US-Philippines Mutual Defense Treaty. Inter-operability between the two alliances raises issues of additional equipment transfers and the possibility of joint patrols, the latter of which are sure to rile Beijing further.

Accordingly, in early 2023 Marcos staked out the parameters of Philippine foreign policy with three major visits: to <u>China</u> in January, <u>Japan</u> in February, and a planned visit to Washington in May. In Beijing, he played up the trade and investment aspects of Philippine-China relations, not least because he had campaigned on a promise to deliver greater economic engagement with Beijing. Although security was not cited in formal statements, Marcos later said that he emphasized his concern for Filipino fishermen denied access to parts of the Philippine EEZ by Chinese vessels, as well as the risk of accidental clashes in the South China Sea.



Figure 1 Philippine President Ferdinand Marcos arrives in Beijing for a state visit on Jan. 3, 2023 and is greeted by Tang Renjian, Chinese Minister of Agriculture and Rural Affairs. Photo: Office of the Press Secretary, Malacanang

In contrast to his visit to Beijing, discussions between Marcos and Japanese Prime Minister Kishida Fumio were more evenly balanced between economic and security cooperation. The two governments <u>announced</u> 35 investment deals covering infrastructure, energy, health care and agriculture, estimated to be worth a total \$13 billion. Also important was the \$3 billion in loans <u>pledged</u> by Kishida for the completion of infrastructure programs, such as the North-South Commuter Railway for Malolos-Tutuban.

More notable were "deliverables" on the security side. The two leaders announced they would <u>finalize</u> a defense aid package, the first in Japan-Philippine relations, and also signaled they would sign a Reciprocal Access Agreement between their armed forces, which would enable the militaries to train on each other's territory, among other things. They <u>discussed</u> in principle the possibility of a Japan-US-Philippine triangular alliance, in keeping with the growing but cautious momentum in the US alliance system in Asia to bend the "hub and spokes" framework to reflect the more complex challenges in the region's security environment.

Developments in the US-Philippine alliance largely overshadowed other aspects of US security relations with Southeast Asia in early 2023, but in Feb. 28-March 10 the US-Thailand alliance <u>restored</u> full cooperation in the annual Cobra Gold Exercises, which had been curtailed first by the 2014 coup and later by the COVID-19 pandemic. The largest multinational exercises in the Asia-Pacific, the 2023 iteration encompassed 7,000 combined personnel. China was invited by Thailand to participate as an observer and included in exercises to deliver disaster relief and humanitarian assistance. The invitation underscored Bangkok's inclination to build bridges along the regional powers, particularly through cooperation on nontraditional security threats.

Political Transitions

In February, the Politburo of the Vietnamese Communist Party (VCP) <u>ousted</u> President Nguyen Zuan Phuc and <u>replaced</u> him with Vo Van Thuong. Nguyen Zuan Phuc was the highest-ranking official to be pushed out of office in Party Secretary-General Nguyen Phu Trong's anti-corruption campaign—popularly <u>dubbed</u> the "burning furnace"—initiated in June 2022. The campaign centered on embezzlement scandals related to the government's program to repatriate overseas Vietnamese during the COVID-19 pandemic. However, Trong, in his late 70s and rumored to be in shaky health, has <u>expanded</u> the campaign to address corruption more broadly, hoping to ensure the Party's future as the sole political authority in Vietnam by refurbishing its image. Apart from rising public discontent over this issue, particularly in the younger population, Trong hopes to reassure foreign investors, who frequently complain about corruption in the system.

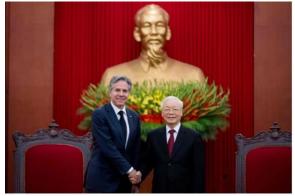


Figure 2 US Secretary of State Antony Blinken meets with Vietnam's Communist Party General Secre-tary Nguyen Phu Trong in Hanoi on April 15, 2023. Photo: Andrew Harnik/AFP

Since June, more than 16,000 corruption or corruption-related investigations have been launched, producing over 30,000 defendants. Roughly 7,300 members of the VCP have been officially disciplined, four of whom were in the Politburo and 29 on the Central Committee. Fifty general officers of the People's Army of Vietnam have been censured. However, the purge has hit some sectors of the Vietnamese economy hard, particularly the stock exchange and the real estate sector. Moreover, it has created hesitancy within the system on some projects, particularly infrastructure, out of fear that investigations may slow or skill them. Additional political changes may be made at the top-Prime Minister Pham Minh Chinh is also under scrutiny-but they are not likely to bring significant shifts in the Party's direction.

In the meantime, Vietnam and the United States continue to discuss <u>elevating</u> relations from a Comprehensive Partnership to a Strategic one. In April Secretary of State Antony Blinken visited Hanoi and met both Secretary-General Trong and Prime Minister Chinh. Since Trong's visit to Washington in 2015, the first-ever for a secretary-general of the VCP, the relationship has broadened to include dialogue with party as well as state leaders.

Thailand and Cambodia

Thailand is <u>preparing</u> for general elections on May 14, which promise to be more fluid than the 2019 polls, in which Prime Minister Prayuth Chan-ocha's election was virtually assured. Prayuth has consistently run third in the polls, behind Pheu Thai Party candidate Paethongtarn Shinawatra, daughter of former Prime Minister Thaksin Shinawatra, and Pita Limjaroenrat, leader of the Move Forward Party. The 2017 constitution allows Parliament appoint a prime minister who is not an elected member and gives sufficient weight to the militaryappointed Upper House to block a prime minister from the opposition if it chooses to.

To form a ruling coalition, Pheu Thai must muster 376 votes in Parliament. This would likely require going beyond a coalition of opposition parties to include at least one party with military support. The most likely candidate would be Deputy Prime Minister and leader of the Phalang Pratcharath Party Gen. Prawit Wongsuwan, who was reportedly close to Thaksin during his administration from 2001 to 2006. However, the current leadership of the Royal Thai Armed Forces will be wary of a return to a government led by Pheu Thai and could intercede on Prayuth's behalf.

Washington seldom takes partisan positions in Thai elections, but US-Thailand relations will be impacted if the May elections spark another round of political instability in Thailand. If Pheu Thai is able to command a ruling coalition - and particularly if Thaksin becomes involved in that process-the chances of an eventual coup will increase significantly, with resulting disruption in the alliance. However, if Prayuth is turned out of office Bangkok is likely to move closer, if only to a small degree, to Western concerns over the deteriorating situation in Myanmar. Although Thailand has professed neutrality on the conflict, Prayuth's personal relationship with junta leader Min Aung Hlaing will constrain Bangkok from helping to broker talks between the parties if the opportunity arises.

In Cambodia, longtime incumbent Prime Minister Hun Sen, leader of the Cambodia People's Party, is <u>assured</u> of a solid victory in July general elections. Nevertheless, in January his government <u>sentenced</u> Kem Sokha, former leader of the Cambodia National Rescue Party, to 27 years of house arrest on charges of treason. This was intended to intimidate remnants of the opposition from mounting a bold campaign, although the possibilities of toppling the CPP are remote at best.

Hun Sen has long been a known quantity, and his inevitable victory will not alter the current trajectory of US-Cambodia relations. However, a robust percentage for the CPP will encourage him to hand power over to his son, Armed Chief General Hun Manet, sooner rather than later. Although Washington has some ties to Hun Manet, who is a West Point graduate, an early test of the US-Cambodia relationship will be if the new leader responds positively to pressure to curtail China's use of Ream Naval Base on the Gulf of Thailand.

Myanmar Deteriorates Further

Required by the constitution to extend the state of emergency (SOE) imposed in the 2021 coup or give up power, the State Administrative Council (SAC) <u>declared</u> a six-month extension of the SOE on Jan. 31, the eve of the second anniversary of the coup. In February the junta <u>issued</u> martial law orders for 37 townships in eight regions and states, including the Chin, Karen, and Karen States and prohibits political activities, including political party organization.

The state of emergency and continued conflict make it difficult for the regime to set a date for elections, but it continued to promulgate regulations to suppress the political opposition in the early months of 2023. Short deadlines were set for political parties to register without risking dissolution; many parties missed the due date and others, such as the National League for Democracy, chose not to comply with the new regulations. In March the SAC officially dissolved 40 political parties, including the NLD. The regime also tightened laws aimed at the National Unity Government, having declared it a terrorist organization in 2021. On March 1 the SAC <u>amended</u> the Anti-Terrorism Law to criminalize individuals and entities providing financial support to terrorist groups, which by definition includes thousands of overseas Burmese who provide the core of the NUG's funding.

Without resolution to the conflict in sight, both ASEAN and the West have increased their engagement with the NUG without signaling official recognition of the opposition group. The NUG has opened a liaison office in Washington and has met with State Department officials. The ASEAN Five-Point Consensus Plan, launched in April 2021, continues to be the flagship game plan for mediating the conflict. However, as the 2023 ASEAN chair, Jakarta has made little progress in advancing it. In January Indonesian President Joko Widodo said he hoped to persuade the junta that militaries could function (and protect their own interests) in countries with civilian rule, but as yet to interest the Tatmadaw in the Indonesia model. In the meantime, Washington-in concert with the European Union and other Western nationshas targeted sanctions on individuals and entities that provide the military with aircraft and fuel for aerial bombings of opposition-held territory.

The Race for Investment

Supply chain coordination and restoring of foreign investment—both strengthened by US-China rivalry, the COVID-19 pandemic, and the economic impact of the Russian war in Ukraine—continue to make Southeast Asia an attractive region for foreign direct investment, particularly investment <u>redirected</u> from China. For the major Southeast Asian destinations— Vietnam, Indonesia, the Philippines, Malaysia, Singapore and Thailand—competition for foreign investment is ramping up in two cutting-edge sectors: semiconductors and electric vehicles.

The more sensitive of these sectors is clearly semiconductors, which sharpens competition for them not only among potential Southeast Asian investment sites but also between the China and the West. China remains the largest manufacturer of chips but consumes more than it makes, which is driving Chinese companies to Southeast Asia. Taiwan is the leading manufacturer of high-end chips but, because of changing economic and security conditions, is also considering the region for relocation of some of its production. Western companies also jockey for Southeast Asian sites, most notably Vietnam.

Southeast Asia is a prime target for foreign manufacture of products in the semiconductor sector, but has slim chances of climbing that ladder in the near future; at present, only Singaporean companies have the potential to fabricate chips themselves. Technology transfer is likely to be quicker and more widespread in the production of electric vehicles, which has made Southeast Asia another promising destination for foreign investors.

Indonesia, the Philippines, and Thailand have all <u>expressed</u> an intention to become regional hubs for the production of electric vehicles as automobile manufactures target the region as an extremely promising EV market. Vehicle sales are expected to double and reach 5 million by 2040. Japan dominates the market at present but is <u>losing</u> ground to China and South Korea. Moreover, Southeast Asian governments are putting into place new subsidies and fuel economy regulations that make production of EV's and lithium batteries more attractive.

In contrast to semiconductors, signs are emerging that Southeast Asian companies are entering the market or will in the near future. Vinfast, owned by a large Vietnamese private conglomerate, has begun sales of its EVs incountry and expects to export them to the European Union later this year and to open a manufacturing plant in the United States in State-owned energy companies in 2024. Thailand and Indonesia are investing across the EV value chain to stimulate local production. Electric vehicles stand to be a barometer for Southeast Asian confidence in its own products. In previous decades, the choice of for Southeast Asian consumers of big-ticket items, such as motor bikes, was usually between those manufactured by Japan on the one and China on the other. Southeast Asian alternatives, which stand to be less expensive, will likely have economic and political advantages and help to boost intra-regional trade.

Lastly, subtle signs are emerging that Southeast Asian governments are again considering adopting nuclear power in their clean energy plans. In recent months Indonesia, Vietnam and the Philippines have all expressed interest in building nuclear power plants, which will likely spark competition among major economic powers and stir regional rivalries. Prior to the Ukraine war, Russia would have been a top contender for nuclear power projects. particularly in Vietnam; Moscow will still push to form partnerships with Southeast Asian governments, possibly at bargain prices. However, a serious move toward nuclear power

in the region could also pit the United States against Japan. Southeast Asian governments will likely attempt to spread their contracts over multiple partners; before the Fukushima nuclear disaster in 2011, Vietnam issued tenders for the construction of three nuclear power plants and was in serious negotiations with Russia for the first; Japan for the second; and the United States for the third.

This more vibrant investment environment in Southeast Asia offers multiple opportunities for the United States, as well as some concerns. Although Washington has increased its rhetoric on the need to support infrastructure development in the region, US companies no longer focus on road or rail networks. However, promoting clean energy through the development of electric vehicles and the development of nuclear energy programs dovetail into current US government policy concerns and American private sector interests. But competition for production of semiconductor chips has the greatest immediate policy application for the United States. The Biden administration has made supply chain coordination on semi-conductors a high priority with Southeast Asia, and is likely to figure prominently in the Indo-Pacific Economic Framework, which is expected to be *finalized* in late 2023.



Figure 3 Visitors check out an electric vehicle at the Bangkok EV Expo. Bangkok from Feb. 16-19, 2023. Thailand is one of several Southeast Asian countries seeking competing for foreign in-vestment in the manufacture of EV's. Photo: Varuth Hirunyatheb/Bangkok Post

Looking Ahead

In June the "dialogue season" will begin in Southeast Asia with the Shangri-la Dialogue in Singapore, followed by the ASEAN Regional

Forum and concluding with the East Asia Summit (and related bilateral summits) in the fall. In 2023 the APEC leaders' meeting, chaired by the United States, and at the G20 Summit, chaired by India, will contribute to the dynamic. The Southeast Asia meetings in particular will have a strong subtext—if not an overt display of US-China rivalry. Southeast Asian leaders will uphold their categorical position that the region should not be made to choose between rival powers; however, events of the past year, particularly in the South China Sea and the Taiwan Strait, could prompt subtle shifts below that general principle. Absent a dramatic shift in the war in Ukraine, Southeast Asia will attempt to remain below the political radar on this issue while protecting their economic interests.

ASEAN's own immediate direction will become clearer in the near term. The first ASEAN Summit of the year will be held in Labuan Bajo on May 9-11 and will show whether Jakarta can define an agenda for the group that incorporates the crisis in Myanmar but does not overwhelm the agenda, as it has done for the past two years. In the West rhetorical support for the National Unity Government in Myanmar will increase, but the United States and Europe have little interest in helping to create a proxy war in a conflict with little hope for resolution at this point.

Political contests will define the next few months for Thailand and Cambodia. Whether the Thai political establishment exercises the mechanisms within the constitution to maintain Prayuth in power is an open question. More certain is Hun Sen's continued rule unless and until he hands power to his son Hun Manet, which could come shortly after the July election. Vietnam's political process is more opaque, but Trong will come under increasing pressure to temper the anti-corruption purge before it inflicts serious damage on the country's competitive edge in international investment.

CHRONOLOGY OF US-SOUTHEAST ASIA RELATIONS

JANUARY—APRIL 2023

Jan. 3-5, 2023: Philippine President Ferdinand "Bongbong" Marcos makes a state visit to China and <u>meets</u> with Chinese President Xi Jinping.

Jan. 5, 2023: Sonexay Siphandone is <u>named</u> prime minister of the Lao People's Democratic Republic. Sonexay, former deputy prime minister, was elevated to his position by the Parliament on Dec. 30, 2022.

Jan. 17, 2023: Vietnamese State President Nguyen Xuan Phuc <u>resigns</u> ahead of the near certainty that he would be pushed out in Vietnamese Communist Party Secretary-General Nguyen Phu Trong's "Burning Furnace" anti-corruption campaign.

Jan. 18–21, 2023: Assistant Secretary of State for East Asian and Pacific Affairs Daniel J. Kritenbrink <u>visits</u> Manila for the tenth US-Philippines Bilateral Strategic Dialogue,

Jan. 31, 2023: To hold onto power under the current constitution, the State Administrative Council in Myanmar <u>extends</u> the State of Emergency imposed during the coup on Feb. 1, 2021 for another 6 months.

Jan. 31, 2023: United States joins several other countries and the European Union in a joint statement on the second anniversary of the military overthrow of civilian government in Myanmar. The statement underscores reports that air strikes, bombardments and the mass burning of villages and places of worship have targeted civilians and civilian infrastructure.

Feb. 2, 2023: Philippine President Marcos and US Secretary of Defense Lloyd Austin, on a visit to Manila, formally <u>announce</u> that the United States and the Philippines will add four new basing sites to the five existing ones under the Enhanced Defense Cooperation Agreement (EDCA).

Feb. 2, 2023: Myanmar's junta imposes new martial law orders in 37 townships in 8 regions and states, including the Chin, Karen and Karen

States. The martial law order prohibits political activities, including political party organization.

Feb. 3, 2023: In its capacity as the 2023 ASEAN Chair, Indonesia <u>convenes</u> a Foreign Ministers Retreat in Jakarta. Myanmar declines to attend, but Timor Leste participates as an observer, an early step toward eventual ASEAN membership.

Feb. 9-14, 2023: President Marcos <u>makes</u> an "official working visit" to Japan. This was Marcos' ninth visit abroad since his inauguration in June 2022. Marcos met Prime Minister Kishida, and he and his wife were given an audience with Emperor Naruhito and Empress Masako.

Feb. 13, 2023: State Department issues a statement of support for the Philippines in the face of reports that on Feb. 6 the People's Republic of China Coast Guard's used laser devices against the crew of a Philippine Coast Guard ship in the South China Sea.

Feb. 14, 2023: Deputy Secretary of State Wendy Sherman <u>meets</u> in Washington with senior representatives of Burma's National Unity Government (NUG), including Zin Mar Aung. She welcomed the NUG's establishment of a liaison office in Washington.

Feb. 28–March 10, 2023: US and Thailand <u>co-host</u> the 42nd round of *Cobra Gold Exercises* in three provinces of Thailand. Seven nations participated fully, with 20 observes or partial participants, including China, which was included in exercises for humanitarian assistance. The largest multinational exercises in the Asia-Pacific region, the 2023 exercises included 7,000 combined military personnel.

March 1, 2023: Military regime in Myanmar <u>amends</u> the Anti-Terrorism Law to designate anyone who provides support, financial or otherwise, to a terrorist organization will also be designated as a terrorist. In 2021 the junta <u>declared</u> the National Unity Government and the People's Defense Force as terrorists. The addendum also allows the regime to eavesdrop on suspects and confiscate their assets.

March 3, 2023: A Cambodian court <u>convicts</u> former leader of the Cambodia National Rescue Party (CNRP) Kem Sokha of treason and sentenced him to 27 years of house arrest. Under detention since 2017, his sentencing was a clear warning to the remnants of the Cambodian political opposition ahead of general elections on July 23.

March 6-9, 2023: Under Secretary of State for Political Affairs Victoria Nuland <u>travels</u> to Manila, Philippines, and Tokyo, Japan. In the Philippines she <u>discusses</u> strengthening the US-Philippine alliance and cooperation on a number of global issues.

March 7-11, 2023: Assistant Secretary of State for East Asia/Pacific Daniel Kritenbrink <u>travels</u> to Jakarta, Indonesia, and Kuala Lumpur, Malaysia. In Jakarta he <u>participates</u> in the ASEAN-US Dialogue and the ASEAN East Asian Summit Senior Officials Meeting in Jakarta.

March 24, 2023: US Treasury Department <u>imposes</u> sanctions on two individuals and six entities in Myanmar and advises that the provision of jet fuel to the Tatmadaw will come under US sanctions.

March 28, 2023: Myanmar's State Administrative Council officially <u>dissolves</u> 40 political parties, including the National League for Democracy, the party of Aung San Suu Kyi and the winner of the November 2020 elections that the military set aside with the coup of Feb. 1, 2021.

March 29-30, 2023: Biden administration <u>convenes</u> the second Summit for Democracy, co-hosted with the governments of Costa Rica, the Netherlands, Republic of Korea, and Republic of Zambia. Indonesia, the Philippines and Timor Leste participate from Southeast Asia. Malaysia had been invited to the first summit in 2021 but declined, on the grounds that the group would be viewed as anti-China.

April 11, 2023: United States and the Philippines <u>conduct</u> third iteration of the US-Philippines 2+2 Dialogue in Washington, the first such meeting since 2016. US Secretaries of State Antony Blinken and Defense Lloyd Austin hosted Enrique Manalo, Secretary of Foreign Affairs and Carlito Galvez, Senior Undersecretary of Officer in Charge of the Department of National Defense. The dialogue focused on strengthening security relations under the Enhanced Defense Cooperation Agreement and extending economic ties with the Indo-Pacific Economic Framework.

April 11–28, 2023: US and the Philippines <u>conduct</u> the 38th iteration of the *Balikatan* ("Shoulder-to-Shoulder") exercises. 5,400 personnel from the Armed Forces of the Philippines and 12,200 US military personnel participate, making it the largest *Baliktan* held to date and a dramatic increase over the 2022 exercises which totaled 9,000 participants.

April 14-16 2023: Secretary of State Blinken travels to Vietnam, his first trip to the country in his current capacity. He <u>meets</u> Vietnamese Communist Party Secretary Ngyuen Phu Trong and Prime Minister Pham Minh Chinh to discuss progress toward elevating US-Vietnam relations from a Comprehensive Partnership to a Strategic Partnership and to break ground on a new US Embassy in Hanoi.

April 18-20, 2023: United States and Thailand <u>conduct</u> the third bilateral energy dialogue in Washington, DC. The discussion includes strengthening clean energy supply chains for electric vehicles and their batteries, and taking advantage of opportunities for energy-related investment and trade through the Inflation Reduction Act.

April 29, 2023: State Department <u>issues</u> a statement declaring solidarity with the Philippines over Chinese infringement of freedom of navigation in the South China Sea and incidents of harassment and intimidation of Filipino vessels in the Philippine Exclusive Economic Zone (EEZ).

PACIFIC FORTUR CONNECTIONS

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RELATIONS IN THE INDO-PACIFIC

CHINA- SOUTHEAST ASIA

CHINA STRENGTHENS REGIONAL LEADERSHIP COUNTERING US CHALLENGES

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Southeast Asia featured prominently in Beijing's increasingly strong international efforts to portray China as a source of strategic stability and economic growth with comprehensive global governance plans supportive of interests of developing countries and opposing the United States. These efforts intensified after the landmark 20th Party Congress in October and the 14th National People's Congress in March. They were reinforced as Xi Jinping emerged from COVID restrictions and preoccupation with domestic matters to engage actively in summitry with leaders of Vietnam, Laos, the Philippines, Cambodia, Malaysia, and Singapore. China's economic importance for regional countries grew as did its dominance over the contested South China Sea. Its show of force against Taiwan in April had little discernible impact on China-Southeast Asia relations, while notable US advances in military cooperation with the Philippines warranted Chinese warnings that escalated during the reporting period.

This article is extracted from <u>Comparative Connections</u>: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: Robert Sutter and Chin-Hao Huang, "China-Southeast Asia Relations: China Strengthens Regional Leadership Countering US Challenges" *Comparative Connections*, Vol. 25, No. 1, pp 87–96.

China's Regional Leadership

Singapore's Institute of Southeast Asian Studies' annual <u>survey</u> of regional elites again showed that China was viewed as the region's leading economic power by 60% of respondents, compared to 10% who saw the US as that influential. China was deemed the region's leading political-strategic power by 42% vs the US by 32%. As in recent years, the majority of those polled expressed concern about China's influence. The Lowy Institute Asia Power Snapshot of April 22 also <u>affirmed</u> that the United States has lost influence to China in Southeast Asia over the last five years, with China ahead in economic and defense relations in particular.

China's trade with ASEAN in 2022 reached almost \$1 trillion, 11% annual growth. The end of China's strict COVID restrictions forecast improved economic relations with the return of Chinese tourists and ease of doing business. Beijing <u>commentary</u> repeatedly claimed that the coming into force of the Regional Comprehensive Economic Partnership (RCEP) agreement adds momentum to China's trade with the members of this trade group including all 10 ASEAN members. China's trade with the other 14 RCEP members expanded 7.5% in 2022 to \$1.88 trillion, accounting for 30.8% of China's foreign trade value. Predicted Chinese growth of 5% in 2023 is more modest than in past years but it complements a similar prediction for Southeast Asian growth, suggesting steady gains.

The sustained growth in China-ASEAN trade has important implications for US and Western interests, progressively weakening their influence. Interregional East Asian trade has often involved extensive supply-chain networks where firms in China obtain raw materials, intermediate inputs and components from regional partners, process them locally, and export value-added goods. Estimates vary, but 10 years ago such so-called processing trade was said to make up well over 30% and up to 50% of China's total trade. Singapore's ambassador in China told Chinese media in August 2013 that 60% of the goods produced by extensive supplychain regional networks between China and ASEAN countries were ultimately manufactures that went to the United States, Europe, and Japan. Only 22% of these goods stayed in the China-ASEAN region.

In contrast, Brookings Institution specialists in March 2023 <u>highlighted</u> remarkable growth in the consumption of these final products in China and ASEAN. China is not only the largest trading partner of regional countries but it is the largest source of demand for these finished products, surpassing the US and the European Union. ASEAN countries 'demand for these final products has also increased substantially, further diminishing the importance of the West as the purchaser and consumer of manufactures of China–East Asian supply chains.

Against this background, China stepped up efforts to weaken the standing of the US dollar, used by Washington to threaten and counter Russia, Iran, China, and other opponents. It encouraged Southeast Asian countries and ASEAN as well as many other developing countries in the so-called Global South to restrict use of US dollars and to carry out transactions with China using the renminbi (RMB). Chinese official media applauded an ASEAN move in March to assess how to use local currencies for financial transactions and positively highlighted remarks by Malaysia's prime minister and Indonesia's finance minister critical of US dollar dominance in international payments.

Treatment of Southeast Asian issues at the National People's Congress in March was minimal. Summit meetings with visiting leaders from the Philippines, Cambodia, Malaysia, and Singapore, discussed below, signaled confidence in China's leading position in Southeast Asia as was evident during the visits of Vietnamese and Lao leaders to Beijing in late 2022.

Southeast Asia was a target of Chinese efforts to muster support from the Global South in direct competition with the US-led global order. The keynote speech by Prime Minister Li Qiang at the Boao Forum for Asia on April 3 referred extensively to authoritative statements by Xi Jinping as well as Xi's foreign policy advances in China's Global Development Initiative (announced in 2021), Global Security Initiative (announced at the Boao Forum in 2022), and Global Civilization Initiative (announced in March 2023) to lay out an alternative view for international order of stability and prosperity. He sharply contrasted China's plans for global governance with disruptive and confrontational actions of the United States and its allies and partners. Li gave special attention to ASEAN centrality, good neighborliness, and amity and

unity between China and Southeast Asia. He affirmed that the "high quality" Belt and Road Initiative, broadly successful and sought after by Southeast Asian governments, would help regional countries achieve faster development.



Figure 1 China's Premier Li Qiang speaking to Boao Forum on March 30, 2023 in Boao, Hainan. Photo: Lintao Zhang/Getty Images

South China Sea Disputes and Broader US-China Strategic Rivalry

Chinese summitry with Southeast Asian leaders and accompanying diplomatic and economic blandishments saw leaders of Vietnam, the Philippines, and Malaysia, the main claimants contesting China's assertion of sovereignty over most of the South China Sea, agree separately to pursue dialogue and discussion with China on their maritime disputes.

These developments did not diminish Beijing's determination to use coercion and criticism to counter South China Sea claimants and condemn US military deployments and other actions to check China's claims. The Asia Maritime Transparency Initiative in March documented an advance of Chinese Coast Guard challenges to Vietnamese claims and active oil and gas wells in areas China claims. It also disclosed more active Chinese Coast Guard patrols to oppose Malaysian and Indonesian development of oil and gas fields in areas China disputes. The Chinese Coast Guard ships are usually much larger than the law enforcement or naval ships of claimant states, advantaging China in efforts to intimidate claimants and thwart their exploitation of oil and gas resources. Such harassment in the recent past caused Vietnam and the Philippines to halt at great cost ongoing or planned oil and gas ventures.

China also continued harassment using Coast Guard and Maritime Militia vessels sometimes numbering over 100 to prevent resupply of the Philippines military outpost on Second Thomas Shoal. The Philippines Coast Guard on Feb. 13 issued a statement reporting an incident on Feb. 6 when a Chinese Coast Guard ship directed a military-grade laser at a Philippines Coast Guard vessel that was accompanying a resupply ship advancing toward the outpost at Second Thomas Shoal. It caused temporary blindness of the crew on the bridge. The statement recalled that Chinese Coast Guard and Maritime Militia vessels in August 2022 created a 13-mile radius blockade surrounding Second Thomas Shoal and prevented Philippines resupply efforts. After the February 2023 incident, President Marcos summoned the Chinese ambassador to register his serious concern while the US State Department issued a statement on Feb. 13 supporting "our Philippine allies" and condemning China's "dangerous" behavior.

Attention to South China Sea disputes was overshadowed briefly by Chinese military exercises surrounding Taiwan for three days in April following the Taiwan president's meeting with the Speaker of the US House of Representative in California. The regional response to the Taiwan episode was muted and reflected less concern than reactions to the larger Chinese military shows of force following the visit by previous US House Speaker Nancy Pelosi to Taiwan last August. Nevertheless, some saw a connection between the recent Taiwan exercises and the South China Sea disputes when Xi Jinping immediately after the Taiwan exercises <u>visited</u> the military command covering the South China Sea and urged improving combat-oriented military training and preparations.

Highlights of US military actions in the South China Sea included the deployment of the US Aircraft Carrier *Nimitz Strike Group* three times in 2023 for operations in the South China Sea. US Freedom of Navigation Operations challenging Chinese claims in the Paracel and Spratly Islands in <u>March</u> and <u>April</u> were criticized in Chinese statements and media. In February, a *Wall Street Journal* reporter aboard a US reconnaissance plane operating over the South China Sea <u>documented</u> repeated Chinese warnings and over one hour of close shadowing by a Chinese jet fighter. It cited US officers for the judgment that such encounters are now a near-daily occurrence and are becoming more dangerous.

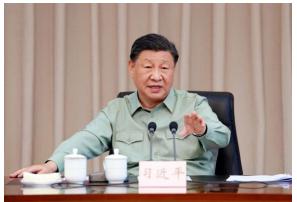


Figure 2 China's President Xi Jinping delivering speech at the navy headquarters of the Southern Theater Command of the People's Liberation Army (PLA) on April 11, 2023. Photo: Xinhua

Chinese officials used the Boao Forum to condemn the United States for its expanding military deployments in the region and deliberately stirring up conflict and creating threats to regional peace and stability. Assistant Foreign Minister Nong Rong targeted "about 1,000" large US reconnaissance aircraft sorties over the South China Sea in 2022. Foreign Minister Qin Gang said China was ready to work with ASEAN countries to adopt the longpending Code of Conduct in the South China Sea. Beijing averred the Code is not intended to eliminate disputes but to create a cooperative framework for the joint management of South China Sea matters while putting aside differences.

On the matter of massive Chinese fishing fleets supported by Maritime Militia and Coast Guard vessels overwhelming other claimants in the South China Sea and elsewhere, an academic <u>assessment</u> in April pointed to steady progress in Chinese efforts to limit wild catch and reduce fishing vessel numbers since 2016. 40,000 working vessels were removed by 2020 and the total catch reduced by 9.5 million tons. It cited the phase out of fuel subsidies that had contributed to the "phenomenal expansion" of China's fishing fleet in the recent past. It predicted reduced fishing conflicts in disputed waters.

Broader Chinese criticism of the United States in Southeast Asia and nearby areas featured sharp criticism of the various initiatives of the Quad the Quadrilateral Dialogue of Australia, India, Japan and the United States; formal announcement of the AUKUS trilateral alignment involving Australia, Great Britain, and the United States; and NATO's growing involvement in Southeast Asia and other regional matters. It predicted a US-led Asian NATO seeking to contain China's rise. In response, Beijing favored expansion of both the BRICS alignment and the Shanghai Cooperation Organization, which routinely adopt policies targeting US policy. Indonesia and Thailand are seen as candidates for the former and Cambodia and Myanmar are linked to the latter. Also, Beijing begun impeding projects to lay and maintain subsea internet cables in the South China Sea in purported response to US efforts to block Chinese involvement in international consortiums building such cable networks. A Chinese state owned telecom firm reportedly is developing a \$500 million undersea fiber-optic cable network that will link Asia, the Middle East, and Europe. It will rival a similar US backed project. The move was said to be in response to successful US government efforts to block Chinese undersea cable projects.

Philippines Tilts to US, Beijing Objects

Philippines-China relations deteriorated substantially during 2023, moving from President Ferdinand Marcos' warm reception by Xi Jinping while visiting China in January to sharp warnings from Chinese Foreign Minister Qin Gang's during a special trip to Manila in April. From Beijing's perspective, Marcos' efforts to balance growing security and other ties with the United States with continued economic and political ties with China resulted in strong advances and consolidation of US-Philippines security and diplomatic ties that challenged Chinese interests in the South China Sea, Taiwan, and the broader Indo-Pacific. Beijing commentary in April held out the possibility that Marcos would adjust policy in directions favorable to China.

The deterioration came in three phases.

1. President Marcos visited China Jan. 3–5; he signed 14 agreements, received pledges of \$22 billion in investment pledges, opened a hotline on South China Sea issues, and agreed with President Xi to resume talks on joint oil and gas exploration in "non-disputed areas" of the South China Sea. Reviewing the results of the summit, official Chinese <u>media</u> highlighted Marcos' admonition that South China Sea territorial disputes should not define Philippines-China relations; the commentary said Marcos refused "outside instigation" that the Philippines get "tough" with China in USled efforts to drive a wedge between Southeast Asian countries and China. The long joint <u>statement</u> on the visit affirmed that the two sides had reached a broad consensus on bilateral cooperation and agreed to properly manage differences on the South Chinese Sea issue, reinforcing the mutual trust in Sino-Philippines relations.

2. Official Chinese commentary registered serious public concern following the visit of US Defense Secretary Lloyd Austin to Manila in early February and the announcement of the US-Philippines agreement allowing US troops to use four additional bases in the Philippines along with five existing sites under the bilateral Enhanced Defense Cooperation Agreement. The new bases were not specified but official Chinese commentary foresaw use of bases close to Taiwan and China's outposts in the South China Sea. The agreement with the United States was seen as a result of US pressure to use the Philippines locations for strategic advantage against China. Beijing commentary advised Marcos it would be "unwise" to allow foreign forces to disrupt what it called the "rosy picture" of Chinese-Philippines relations.

Following the Feb. 13 confrontation between Philippines and Chinese security forces at Second Thomas Shoal, official Chinese <u>media</u> took aim at the concurrent five-day visit to the Philippines of Japanese Prime Minister Kishida Fumio. That visit resulted in agreements seen leading eventually to deployment of Japanese forces in the Philippines. Beijing commentary cited Marcos discussing a possible trilateral US-Japan-Philippines security pact.

3. The announcement on April 3 of the locations of the four new bases available for US troop deployments confirmed their positions near Taiwan and the South China Sea. At a US-Philippines 2+2 <u>meeting</u> in Washington April 11, the senior leaders jointly challenged China and supported regional groups and initiatives Beijing strongly opposes. The joint statement of the 2+2 meeting condemned Chinese coercion against the Philippines in the disputed South China Sea; affirmed the UNCLOS tribunal ruling of 2016 nullifying Beijing's South China Sea claims; advanced plans for US-Philippines joint naval patrols in disputed South China Seas; committed the Philippines to consultations regarding the AUKUS trilateral partnership; expressed Philippines' welcome to activities of the Quad; and pledged Manila would seek to expand operational military coordination with both Australia and Japan, including the Japan-Philippines-US Trilateral Defense Dialogue. All this occurred against the background of more than 17,000 US and Filipino troops carrying out the annual *Balikatan* military <u>exercise</u> for three weeks beginning April 11.

In reaction to the bases announcement, Politburo Member and top diplomat Wang Yi publicly <u>advised</u> Marcos not to "lose the momentum" of his agreement with Xi regarding appropriate management of South China Sea differences. The Chinese embassy <u>registered</u> its strong opposition, especially to US use of Philippine bases near Taiwan.



Figure 3 President Marcos of the Philippines meets with China's State Councilor and Foreign Minister Qin Gang on April 22, 2023 in Manila, the Philippines. Photo: Xinhua

Foreign media said Chinese Foreign Minister Qin "lashed out" against Philippines–US actions during his visit to Manila, but official Chinese <u>media</u> put the blame on the United States and portrayed Manila as facing US pressure to acquiesce to American demands for access to more bases. It said the Philippines invitation to Qin to visit just prior to Marcos 'scheduled visit to Washington on May 1 showed "the prudence with which it is trying to handle relations with Beijing and Washington." It pointed out Manila's assurances that the Philippines will not allow the US military to use Philippine bases to intervene in Taiwan-related issues and expressed hope that the Philippines will respect China's sovereignty, security, and territorial integrity.

Marcos seemed to test Chinese forbearance on April 26 when he <u>participated</u> in events monitoring the US-Philippines exercises with the US ambassador and US military officials.

China's Neighborhood Diplomacy on Display

China's diplomatic interactions with other Southeast Asian countries point to its ambitions to strengthen regional coordination amid increasing tensions and competition with the United States. The flurry of regional diplomatic activities kicked off with Chinese Foreign Minister Qin Gang's visit to Jakarta, Indonesia in February 2023 for the 4th meeting of the Joint Commission on Bilateral Cooperation. The trip was Qin's first official overseas since his appointment as foreign minister late last year. Given Indonesia's chairmanship of ASEAN in 2023, the visit signaled China's willingness to support greater cooperation with ASEAN on regional security and economic issues, including accelerating negotiations with the regional body on the Code of Conduct in the South China Sea. Following Qin's visit, senior ASEAN and Chinese officials convened the "China-ASEAN Joint Working Group on the Implementation of the Declaration on the Conduct of Parties in the South China Sea (JWG-DOC)" in March 2023. ASEAN officials indicate that there is commitment from all sides to intensify diplomatic negotiations to make substantive progress on an actionable and legally binding Code of Conduct that is consistent with international law.

China also hosted high-profile visits from Singapore, Malaysia, and Cambodia. In late March 2023, Singapore Prime Minister Lee Hsien Loong <u>embarked</u> on a weeklong visit to China. In his meeting with President Xi, the two sides agreed to upgrade their bilateral ties to a "high-quality, future-oriented partnership." This would entail extending cooperation across all sectors, including science and technology, supply chains, the digital economy, food security, trade, investment, finance, and aviation. In his meeting with Lee, Chinese Premier Li pointedly reaffirmed China's ties to Southeast Asia, adding that ASEAN is a priority for China's foreign and security policy with the region and that it supports ASEAN centrality in regional affairs. During his visit, the Singapore leader also attended the Boao Forum and delivered a speech at the opening plenary where he emphasized the importance of upholding the rules-based multilateral trading system.

Malaysian Prime Minister Anwar Ibrahim made his first official visit to China in early April since becoming head of government last year. Solidifying bilateral trade and economic ties was a priority for Anwar. Two-way trade reached nearly \$190 billion in 2022 and saw a nearly 20% increase. Chinese investment in Malaysia reached \$11 billion in the first half of 2022, and amounts to well over half of Malaysia's total foreign direct investment. Hoping to increase the vibrant business, economic, trade, and investment ties with China, Anwar's visit also highlighted China's commitment to help deliver on a number of important infrastructure developments. Most notable is the East Coast Rail link, part of the Belt and Road Initiative, which would facilitate travel and trade between China and Malaysia and runs through continental Southeast Asia.

Cambodian Prime Minister Hun Sen reaffirmed close ties during his Feb. 9-12 visit to China.

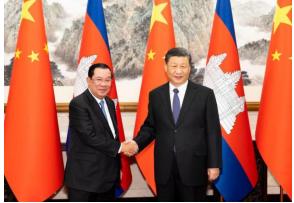


Figure 4 China's President Xi Jinping meets with Cambodia's Prime Minister Hun Sen on Feb. 10, 2023 in Beijing, China. Photo: Huang Jingwen/Xinhua

Beijing <u>said</u> Hun Sen's warm meeting with Xi Jinping came against the background of record foreign trade over the past year valued at \$16 billion, marking an annual increase of 17%. Xi highlighted construction of the Sihanoukville Special Economic Zone, a flagship project under China's Belt and Road Initiative, adding to previously announced Chinese projects. The latter <u>included</u> a \$1.6 billion expressway from Phnom Penh to the Vietnamese border and a rail link connecting the Cambodian capital to the high-speed rail project now operational from China to Vientiane, Laos, and due to connect to Bangkok and ultimately further south to Singapore. The Cambodian rail link and expressway were scheduled to be completed in 2027.

Chinese-funded construction at and near the Cambodian Ream Naval Base progressed with reports by the Asian Maritime Transparency Initiative disclosing major land clearing, a new pier, and several new structures at a 28-acre site comprising 15% of the base. The US government and many foreign observers cite evidence of Chinese plans to use the base as a strategic strongpoint despite repeated Cambodian denials. The Thayer Consultancy reported development inside the nearby Ream National Park to construct an air defense base and radar facility on a large 187 hectares (462 acres) location. Meanwhile, a mega project of China's Belt and Road Initiative of possible Chinese military use, construction of an international airport of the "highest class" on a 2,600-hectare site 20 km south of Phnom Penh, reportedly progressed with construction of the air terminal hall.



Figure 5 A new Phnom Penh Airport under construction on Nov. 9, 2022. Photo: Xinhua

To mark the 15th anniversary of China and Vietnam's "comprehensive strategic cooperative partnership," Qin discussed the state of bilateral ties with Vietnamese counterpart Bui Thanh Son via a phone call on March 28. Indicating that Vietnam remains an important country in China's "neighborhood diplomacy," Qin pledged to "strengthen strategic communication, consolidate political mutual trust, and intensify interactions at all levels and in all fields." Their phone call came as bilateral tensions rose following a reportedly tense encounter between a Chinese coastguard vessel and a Vietnamese fisheries patrol boat earlier in March in the South China Sea. Both sides agreed to jointly maintain a peaceful and stable environment in the region. The diplomatic call also followed a <u>report</u> that the United States is keen to upgrade its ties with Vietnam this year, the 10th anniversary of their bilateral comprehensive partnership. Officials in Hanoi are wary of upgrading the U.S.-Vietnam partnership, given Vietnam's geographic proximity to China and possible retaliation by Beijing.

Australia: Beijing Hits AUKUS and the Quad, but Hopes for Improved Relations

As the AUKUS agreement was dramatically announced on March 13 by President Biden and the prime ministers of Australia and Great Britain against the backdrop of US naval forces in San Diego, Chinese officials and media roundly criticized the event. The Australian government bore the brunt of the criticism. Beijing took the opportunity to appeal to Southeast Asian concerns over possible implications of the deal for the presence of nuclear weapons in the region, asserting that China is willing to sign a treaty making Southeast Asia a nuclear-free zone. China Daily reported that Indonesia, the ASEAN chair in 2023, has started negotiating with the five recognized nuclear powers-China, France, Russia, the UK, and the US—to sign the protocol to the Treaty on the Southeast Asian Nuclear Weapon-Free Zone passed 30 years ago. Chinese media continued criticizing activities of the Quad, as well as Australian government efforts to work with Japan, Pacific Island countries, and others in the region to counter Chinese obiectives. initiatives and The Chinese ambassador in Canberra took special aim at assertions that Australia was prepared to go to war against China over Taiwan.

Nevertheless, Chinese <u>commentary</u> persisted in emphasizing what it depicted as positive signs of reviving constructive relations. It cited the government of Prime Minister Norman Albanese, in power since May 2022, as ending tensions of recent years. The Chinese ambassador said the China-Australia relationship is showing "positive momentum" as "all sectors of the two countries generally wish to strengthen exchanges and cooperation." Beijing commentary focused on the benefits of highly complementary trade relations and active people-to-people cultural exchanges.

Pacific Islands: China on the Defensive as US, Australia, and Japan Advance

Chinese commentary remained low-keyed and on the defensive as the United States, Australia, Japan, and partners followed through on improved assistance and engagement at odds with Chinese ambitions. Specific US steps included assistance to the three Freely Associated Pacific Island States (Palau, Marshall Islands, and the Federated States of Micronesia), opening a US embassy in the Solomon Islands, beginning negotiations on a defense cooperation agreement with Papua New Guinea, and announcing more robust US Coast Guard patrols to assist Pacific Island states against illegal foreign fishing. China is by far the leader in illegal fishing in the region. A prominent UN official judged that "the loss of tuna to illegal fishing is almost equal to the total grant assistance to the Pacific Islands."

As a sign of the much higher US priority given to relations with Pacific Island countries, in late April it was <u>announced</u> that President Biden would briefly visit Papua New Guinea on May 22 to meet 18 Pacific Island leaders while traveling between the G7 summit in Japan and the Quad summit in Australia. Meanwhile, the president of Federated States of Micronesia followed his stark warnings in 2022 about Chinese influence operations and efforts to control Pacific Island governance with detail in a publicized <u>letter</u> in March that showed how Beijing carries out political warfare by bribing many of his nation's senior officials and elected representatives.

Amid periodic tepid commentary advising Pacific Island countries to avoid purported US efforts to use relations as a power play against Chinese initiatives, the Chinese Communist Party International Department hosted in April Third Annual China-Pacific the Island Leadership Dialogue. Chinese <u>rhetoric</u> supported China's ambitions to expand trade while treating all regional countries as equals, reporting that the value of annual Chinese trade with Pacific Island countries recognizing Beijing grew over 40 times in 30 years, reaching \$6.6 billion in 2022.

Outlook

Facing increasing competition from the United States, Chinese officials have been keen to step up engagement with Southeast Asian partners in its neighborhood diplomacy. China sees greater coordination with the region as an important part of limiting US influence in regional security. Beyond strengthening trade and economic ties, however, there needs to be a stronger commitment from China to work more closely with Southeast Asian counterparts on strategic issues that matter, like conflict management in the South China Sea and developing a legally binding Code of Conduct. Whether progress on those fronts will unfold merits closer observation of key developments in China-Southeast Asia relations throughout the rest of 2023.

CHRONOLOGY OF CHINA-SOUTHEAST ASIA RELATIONS

JANUARY—APRIL 2023

Jan. 3-6, 2023: Chinese President Xi Jinping meets visiting Philippine President Ferdinand Marcos, Jr. in Beijing. They sign 14 agreements stepping up bilateral cooperation in areas such as trade and investment, agriculture, renewable energy, infrastructure development, and maritime security cooperation. They also agree to set up direct communication channels to manage maritime disputes in the South China Sea.

Jan. 11, 2023: Regional Comprehensive Economic Partnership (RCEP) marks its oneyear anniversary. The regional trade deal covers nearly a third of the world's population and accounts for nearly 30% of the world's gross domestic product (GDP). RCEP <u>seeks</u> to integrate supply chains and ease trade barriers among the 15 signatory states and aims to cover nearly half of global GDP by 2030.

Jan. 15, 2023: Indonesia <u>deploys</u> a warship to its North Natuna Sea to monitor a Chinese Coast Guard vessel that had been active in the resource-rich area in Indonesia's exclusive economic zone. Indonesia and Vietnam had entered into a joint agreement for Indonesia to develop the Tuna gas field in the Natuna Sea.

Feb. 10, 2023: President Xi <u>meets</u> Cambodian Prime Minister Hun Sen in Beijing. They announce deepening bilateral cooperation in agriculture, infrastructure, energy, crossborder crime, mine clearance, and cultural exchanges.

Feb. 13, 2023: Philippine Coast Guard <u>accuses</u> a Chinese Coast Guard ship of directing a "military-grade" laser at one of its vessels that was supporting a rotation and resupply mission of the Philippine Navy in the Second Thomas Shoal.

Feb. 21-23, 2023: Chinese Foreign Minister Qin Gang visits Indonesia and meets Indonesian counterpart Retno Marsudi. They take part in the 4th meeting of the Joint Commission on Bilateral Cooperation and discuss prospects for strengthening bilateral trust, defense and economic cooperation, and coordination of regional security policies. Qin <u>indicates</u> that China is willing to accelerate negotiations with ASEAN on the Code of Conduct in the South China Sea.

March 8-10, 2023: ASEAN and Chinese officials <u>meet</u> for a three-day discussion for the "China-ASEAN Joint Working Group on the Implementation of the Declaration on the Conduct of Parties in the South China Sea (JWG-DOC)." ASEAN officials indicate that there is a commitment from all sides to intensify negotiations and that the Code of Conduct will be actionable and binding and consistent with international law.

March 21, 2023: China's Vice Foreign Minister Sun Weidong visits the Philippines to discuss issues related to disputes in the South China Sea with Philippine Foreign Minister Enrique Manalo. The visit and meeting follow announcement of US expansion of its military presence and base agreements in the Philippines. Sun <u>conveys</u> Beijing's concern and indicates that the region should engage in joint efforts to "exclude external interference and take ownership of our own development and regional affairs firmly into our own hands."

March 30, 2023: Chinese Foreign Minister Qin Gang meets Malaysian Foreign Minister Zambry Abd Kadir in Beijing. Both agree to deepen bilateral economic and security cooperation. Qin also <u>holds</u> a phone conversation with Vietnamese counterpart Bui Thanh Son to mark the 15th anniversary of the two countries' "comprehensive strategic cooperative partnership." The two ministers agree to strengthen strategic communication, political trust, and intensify bilateral cooperation at all levels and sectors. The phone conversation comes as bilateral tensions spike following a reportedly tense encounter between a Chinese Coast Guard ship and a Vietnamese fisheries patrol boat in the South China Sea.

March 31, 2023: Chinese President Xi <u>meets</u> visiting Singaporean Prime Minister Lee Hsien Loong in Beijing. They agree to upgrade bilateral ties to a "high-quality, future-oriented partnership" and to extend cooperation to science and technology as well as supply chains. Earlier in Lee's six-day visit to China, he met Chinese Premier Li Qiang, who reaffirmed in his meeting with Lee that China supports ASEAN centrality in regional affairs and that China's relations with ASEAN is a priority in its foreign and security policy.

April 3-4, 2023: Chinese Premier Li <u>meets</u> Malaysian Prime Minister Anwar Ibrahim in Beijing. They agree to engage in further consultation on the Code of Conduct in the South China Sea and the prospects for bilateral cooperation to help maintain regional security and stability. They also agree to deepen trade relations under the Belt and Road Initiative, including expediting the East Coast Rail Link project.

April 5, 2023: Chinese officials attend the Mekong River Commission summit in Vientiane, Laos. The meeting <u>convenes</u> amidst increasing concerns about Chinese dam activities that are withholding water upstream and affecting the downstream basin. A joint study is being conducted by MRC members along the Mekong River to examine changing hydrological conditions along the river and propose adaptation measures.

April 5, 2023: China and Cambodia <u>conclude</u> "Golden Dragon-2023" joint military exercise. The live drills focus on humanitarian relief operations, hostage rescue, epidemic disinfection, mine clearance, and explosive removal, with more than 3,000 participating troops from the two militaries forming a joint armed force.

April 11–13, 2023: Chinese and Vietnamese Coast Guard vessels <u>carry out</u> their first joint patrol in 2023 in the Gulf of Tonkin. For the first time, the patrol is jointly commanded by the directorgeneral of the Chinese Coast Guard and the commander of the Vietnamese Coast Guard.

April 18, 2023: Officials from China, Myanmar, and Bangladesh <u>hold</u> a tripartite meeting in Kunming to discuss the coordination of the repatriation of 1,000 Rohingyas.

April 27, 2023: People's Liberation Army Navy <u>provides</u> additional assurances to the Royal Thai Navy regarding a submarine deal, with Chinese defense authorities pledging warranty, compensation, and safety if the Royal Thai Navy proceeds with a Chinese-made engine as a substitute for a German-made one for its acquisition of a *S*₂6*T Yuan*-class submarine being assembled in China.

April 28, 2023: China and Singapore <u>hold</u> a fourday joint naval exercise in regional waters. The exercise comprises both shore and sea phases and involves frigates and mine countermeasure vessels from both navies.

PACIFIC FORTUR CONNECTIONS

A TRIANNUAL E-JOURNAL OF BILATERAL

RELATIONS IN THE INDO-PACIFIC

CHINA-TAIWAN RELATIONS

CONFRONTATION MUTED, TENSIONS GROWING

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

As 2023 began, cross-Strait confrontation was muted. Travel began returning to pre-COVID levels across the Strait and between the mainland and Taiwan's offshore islands. At China's annual National People's Congress, outgoing Premier Li Keqiang and reanointed President Xi Jinping eschewed inflammatory rhetoric about reunification with Taiwan. Taiwan and the US kept Taiwan President Tsai Ing-wen's transit of the US low-key. Tsai met House Speaker Kevin McCarthy in California, deflecting the speaker's expressed interest in visiting Taiwan and avoiding the destabilizing Chinese military exercises around Taiwan that followed Speaker Pelosi's visit last August. Despite this calm, seeds of confrontation proliferated. China cut a communications cable to Taiwan's offshore islands and announced a coast guard drill to inspect commercial shipping in the Taiwan Strait, both interpreted as practice for gray-zone coercion. China persuaded Honduras to sever its longstanding diplomatic ties with Taiwan. Taiwan increased its military budget and expanded training with US forces. Former Taiwan President Ma Yingjeou visited China and met Chinese officials, endorsing the 1992 Consensus and signaling that the upcoming election campaign for Taiwan's president will again offer two very different visions of Taiwan's future relationship with mainland China.

This article is extracted from <u>Comparative Connections</u>: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: David Keegan and Kyle Churchman, "China-Taiwan Relations: Confrontation Muted, Tensions Growing" *Comparative Connections*, Vol. 25, No. 1, pp 97-108.

An Amicable Opening to the New Year

In contrast to some recent years, Beijing and Taipei's new year speeches offered each other relatively conciliatory best wishes. On Jan. 1, Chinese Communist Party (CCP) General Secretary Xi Jinping said that both sides of the Taiwan Strait are one family and should "jointly foster lasting prosperity." Two weeks later, the spokesman for Taiwan's Mainland Affairs Council (MAC) Chiu Chui-cheng offered Lunar New Year best wishes to the mainland, noting it was a custom among ethnic Chinese people to exchange blessings around the Lunar New Year holiday.



Figure 1 Taiwan President Tsai Ing-wen delivers her New Year's speech in the capital Taipei. Photo: Handout via Reuters

The mini-three-links allowing ferry travel between China and Taiwan's islands near the China coast resumed less than a week into the new year, and Taiwan's MAC said this was part of an effort to resume "healthy and orderly exchanges." Direct air routes have begun to return to normal pre-COVID levels. Taiwan Premier Chen Chien-jen expressed hope that this would gradually increase goodwill and friendly engagements. The spokesman for China's Taiwan Affairs Office (TAO) Ma Xiaoguang welcomed the move. On Jan. 29, the TAO announced that the mainland was lifting the ban imposed last year on products from 63 Taiwan food companies, and on March 16, the TAO announced China was lifting its ban on the imports on chilled beltfish and frozen Atlantic horse mackerel from Taiwan. The head of Kaohsiung-based Hsing-ta Harbor Fisherman's Association welcomed the decision and noted that 90% of their beltfish had been exported to China before the ban.

Xi Jinping's statements about Taiwan at China's National People's Congress and the Government Work Report were among the mildest in recent years, emphasizing that Taiwan's reunification will be achieved only over the long term. However, other Party leaders used their statements at the NPC to underscore the CCP's two-handed strategy of peace and coercion. Newly appointed Foreign Minister Qin Gang told a press conference that "the two sides of the Taiwan Strait belong to one common family, which is called China. As brothers and sisters, we will continue to work with the greatest sincerity and utmost efforts to pursue peaceful reunification. Meanwhile, we reserve the option of taking all necessary measures."

KMT Seizes the Initiative with Cross-Strait Visits

At the beginning of February, KMT Vice Chair Andrew Hsia led a party delegation to China and met on Feb. 10 with TAO Director Song Tao as well as Wang Huning, chairman of the Chinese People's Political Consultative Conference (CPCC) and a member of the Communist Party Politburo Standing Committee, who is taking a more active role in cross-Strait policy like CPCC chairmen before him. According to press reports, all three endorsed the 1992 Consensus and opposed Taiwan independence. On his return to Taipei, Hsia said that neither the KMT nor the CCP want a war. In doing so, the KMT has again shifted cross-Strait dialogue from a government-to-government to a party-toparty basis, inadvertently playing into Chinese united front strategies.

The newly elected Nationalist (KMT) Party mayor of Taipei, Chiang Wan-an, welcomed a visit by the deputy director of the Shanghai municipal Taiwan Affairs Office on Feb. 18 with the approval of Taiwan's MAC. In a reminder that tensions remain high, the TAO delegation <u>failed to appear</u> for a series of public events; <u>Mayor Chiang said</u> it was to ensure their safety.

At the end of March, Former Taiwan President Ma Ying-jeou led a delegation of KMT youth to China. He began his trip by paying his respects at the mausoleum of KMT founder Sun Yat-sen and a memorial to the victims of the 1937 Nanjing massacre before going to the hometown of his parents, accepting by his actions the CCP emphasis that Taiwanese are Chinese. He told reporters that all Chinese on both sides of the Taiwan Strait are children of the Yellow Emperor, words that TAO Director Song Tao <u>echoed</u> when he met Ma on March 30, saying "compatriots on both sides..have a common blood, a common culture, a common history, a common vision." Like Andrew Hsia, Ma endorsed the 1992 Consensus. The head of the Ma Ying-jeou foundation <u>took a dig</u> at the Taiwan government's military budget on the eve of the visit, saying "Instead of buying more weapons, it would be better to increase exchanges between young people of the two sides of the Taiwan Strait."

In Tsai's Final Year, US-Taiwan Relations are "Closer Than Ever"

Senior US and Taiwan officials, including Deputy Secretary of State Wendy Sherman and Taiwan Foreign Minister Joseph Wu, gathered on Feb. 21 as part of the periodic "special channel." This meeting, convened at the American Institute in Taiwan (AIT) building just outside Washington, contrasted with previous conclaves held clandestinely outside DC. Deputy Assistant Secretary of Defense for China Michael Chase, having completed a rare visit by a senior Pentagon official to Taipei the week prior, also participated in the all-day talks.



Figure 2 President Tsai Ing-wen meets with US House Speaker Kevin McCarthy. Photo: Office of the President Republic of China (Taiwan)

In mid-March, the White House selected Laura Rosenberger, the senior China advisor to President Biden on the NSC, as the new chair of AIT. Rosenberger, well connected within the Biden administration, will likely bring a more hands-on approach to this hitherto part-time role occupied by a retired diplomat. Rosenberger undertook a six-day visit to Taiwan in late April after working with the White House to coordinate Tsai's transits through the United States.

Rapid progress is being made under the Initiative on 21st Century Trade, the Biden administration's framework for trade negotiations with Taiwan launched in late 2022. In January, a delegation of US trade officials visited Taipei for in-depth negotiations. A senior USTR official, speaking to journalists before this first negotiating round, noted the "great deal of excitement" on both sides and the desire "to move forward as quickly as possible." In mid-March, USTR published summaries of the text tabled by the US in January covering five of the initiative's 11 trade areas, which may form part of the basis of an early-harvest agreement. Negotiators are also drafting text for the remaining eight other areas, including digital trade.

The US House of Representatives, in one of its first legislative actions under the GOP, established the Select Committee on the CCP in early January. A top priority of the bipartisan panel is addressing delays in US weapons deliveries to Taiwan and strengthening the US military posture around the Taiwan Strait. Chairman Michael Gallagher (R-WI) undertook his maiden visit to Taiwan in February and is promising to hold a hearing of the Select Committee in Taiwan. In early April, House Foreign Affairs Committee Chairman Michael McCaul led the largest congressional delegation to Taiwan since 1979. The die is cast for 2023 to a new record for the number of set Congressional visits to Taiwan.

In an isolated area of US-Taiwan friction, semiconductor manufacturer TSMC has taken issue with certain conditions set by the US Commerce Department for recipients of funding under the CHIPS Act, in particular the sharing of profits above a certain threshold and the handing over of sensitive company data. According to the *Wall Street Journal*, TSMC is seeking up to \$15 billion to defray costs of its \$40 billion investment in Arizona, split almost evenly between direct subsidies and tax credits. Commerce Department officials visited Taiwan in March to better understand TSMC's concerns before the agency begins accepting applications in June.

President Tsai's Transit Proves a Disciplined Success

In late March, Tsai stopped over in New York City while en route to Central America, her first US stopover since 2019. At a private dinner, which included New Jersey Gov. Phil Murphy and members of the Taiwan diaspora, Tsai proclaimed that US-Taiwan relations "are closer than ever" as she finishes out her term. Also in New York, Tsai privately met House Minority Leader Hakeem Jeffries and a small bipartisan group of US senators.

Tsai's stopover in California a week later was equally careful yet also more momentous and sensitive. House Speaker Kevin McCarthy, in meeting Tsai at the Ronald Reagan Library in Simi Valley, became the most senior US official to meet with a Taiwan president on US soil. A bipartisan delegation of 17 bipartisan members accompanied McCarthy. The president and speaker each gave brief remarks in front of Reagan's Air Force One jet, with Tsai proclaiming that "democracy is under threat."

The encounter had been arranged with close coordination by Taiwan's Presidential Office, the White House, and the Speaker's Office. It was widely understood that Tsai offered this transit meeting to avoid the kind of intensive military exercises and cross-Strait tensions that resulted from the visit of House Speaker Nancy Pelosi to Taipei the previous August. Ironically, Beijing's threats to punish Taiwan for a McCarthy visit led to a public breakthrough for Tsai in the United States.

China Tests Coercive Capabilities

Although public statements and visits between Taiwan and the mainland at the beginning of 2023 seemed to signal a relative reduction in tensions, China's People's Liberation Army (PLA) Air Force and Navy continued the extensive maneuvers near Taiwan, which had become the norm since the Pelosi visit in August. After extensive PLA air maneuvers the first week of January, the Chinese Foreign Ministry <u>said</u> that the drills were aimed at testing the joint combat capability of troops and "resolutely countering the provocative acts of external forces and Taiwan independence separatist forces in collusion."

On Feb. 2, a Chinese fishing vessel severed one of the two undersea telecom cables connecting Matsu island, just offshore of Fujian, with Taiwan. On Feb. 8, a Chinese freighter cut the other cable, leaving the island with only rudimentary WiFi and telephone for perhaps three months. This was either a highly improbable series of accidents or, as many analysts <u>have suggested</u>, gray-zone intimidation of Taiwan and the residents on these isolated islands.



Figure 3 China's Shandong aircraft carrier sailed through waters south of Taiwan into the West Pacific Ocean. Photo: Ministry of National Defense of Taiwan

Just before President Tsai's meeting with Speaker McCarthy, China's maritime police would "on-site announced it launch inspections" of direct cargo ships and construction vessels on both sides of the Taiwan Taiwan immediatelv Strait. instructed commercial shippers not to comply with this unprecedented action. Separately, the PLA Navy <u>sailed</u> its newest aircraft carrier, the Shandong, through the Bashi Strait south of Taiwan. On April 8, the day after Tsai's return to Taiwan, the PLA launched a three-day exercise immediately around Taiwan. On April 10, 91 PLA aircraft and 12 naval ships flew and sailed around Taiwan, the highest one-day total ever. More than 200 aircraft entered Taiwan's Air Defense Identification Zone (ADIZ) in the course of the three-day exercise. A bipartisan caucus of members from the governing Democratic Progressive Party (DPP) and the opposition KMT Party in Taiwan's Legislative Yuan responded harshly, condemning what it called China's "barbarous acts."

On April 13, China announced it would impose a flight exclusion zone over an area of the East China Sea 85 miles north of Taiwan and within the island's ADIZ from April 16–18. The location and length of the flight ban threatened major disruption to commercial air travel across the region. The disruption was later reduced to 27 minutes on the morning of April 16, and Taiwan claimed it had successfully persuaded China to make the reduction.

Military analysts from Taiwan and the mainland concluded that the movement of PLA aircraft and ships east of Taiwan was intended to signal two aspects of China's military planning. First, it plans <u>to counter</u> Taiwan's plan to move its air force planes from airfields on the west side of the island to more protected locations on the east coast. Second, the PLA <u>is testing</u> its ability to intercept US military movements to support Taiwan in case of a cross–Strait conflict. These actions, combined with the announced plan to interdict commercial shipping, appear to signal the PLA is exercising its capability to impose a blockade around Taiwan.

Are Trade Barriers Gray Zone Intimidation?

As all these PLA and Chinese military exercises and intimidation were occurring, the Chinese Ministry of Commerce announced it was launching an investigation into what it identified as Taiwan trade restrictions on 2,455 products, including agricultural Chinese produce, minerals, chemicals, and textiles. Taiwan's Ministry of Economic Affairs (MOEA) confirmed that it had been informed of the action through China's mission to the World Trade Organization (WTO). The Chinese announcement prompted Taiwan legislators to ask MAC Minister Chiu Tai-san at a hearing whether China might use this as a reason to terminate the Economic Cooperation Framework Agreement (ECFA), which has increased cross-Strait trade in goods since it was concluded by President Ma Ying-jeou's administration in 2010. Chiu replied that ECFA benefits both sides and that he did not anticipate that it was at risk. Taiwan officials said that anticipated trade retaliation would affect only about 5.2% of Taiwan's exports.

China has indicated that the investigation could extend until Jan. 12, 2024, the day before Taiwan's elections, injecting the issue into the presidential election campaign and perhaps prompting some business groups to criticize the incumbent DPP government and its presidential candidate, William Lai Ching-te.

Taiwan's Defense Efforts Marginally Stronger and Popular

While almost all of Taiwan's military equipment purchases come from the US, the most noteworthy acquisition news of these four months came from Britain. It was revealed that Britain had licensed for sale \$201.29 million in submarine components and technologies. Taiwan's effort to design and build submarines came after no nation was willing to sell it diesel submarines, including the US, which discontinued making diesel subs over a half century ago. The submarine project has become an expensive and controversial demonstration of its commitment to security independence and of its ability to threaten the PLA Navy in the Taiwan Strait.

The most dramatic developments in US support for Taiwan's self defense came in two revelations about US training of Taiwan troops. First, later this year, Taiwan <u>plans to send</u> a combined arms battalion of roughly 500 troops to the US for training. Although training Taiwan military in the US is nothing new—F-16 pilots and mechanics have trained there for many years -- the scale of this deployment reinforces the idea that whatever "strategic ambiguity" means, it does not preclude intensive cooperation between the Taiwan and US militaries. Second, it has been reported that US army special forces trainers <u>continue to be</u> active in Taiwan in larger numbers than usually understood, perhaps a couple hundred.



Figure 4 Taiwanese soldiers take part in a demonstration during a visit by Taiwan's President Tsai Ing-wen at a military base in Chiayi. Photo: Sam Yeh/AFP/Getty Images

Following Taiwan's announcement during the reporting period of our last article that it was increasing defense expenditures, two different concerns have been expressed. The first, made particularly by members of the US Congress, is that US efforts to equip Ukraine with the weapons it needs are causing unacceptable delays in Taiwan acquiring weapons it has purchased from the US. US Department of Defense officials have insisted that is not the case without making it clear how they have overcome widely reported shortfalls. The second is that Taiwan's military spending remains unacceptably low despite recent budget increases. In its annual report on global military expenditures published on April 24, the Stockholm International Peace Research Institute (SIPRI) estimated that Taiwan's \$13 billion defense budget still only equates to 1.6% of gross domestic product (GDP), an increase of only 0.4% over the previous year. By contrast, SIPRI reported that China's 2022 defense budget was 4.2%, more than in 2021 and 63% more than in 2013.

The 21st Century Foundation, a Taiwan think tank, <u>released a poll</u> on Feb. 17 that showed about 79% of respondents supported President Tsai's policy to lengthen conscription from four months to one year starting next year—even respondents who have children under 18 years old. In addition, around 39% of respondents thought the United States would provide weapons or material support to Taiwan if China invades, while 10% of respondents believed that the United States will send troops to help defend Taiwan.

Taiwan and US-China Tensions

On March 18, US Secretary of State Antony Blinken met PRC State Councilor and Director of the CCP Central Foreign Affairs Office Wang Yi on the margins of the Munich Security Conference. While most of their discussion focused on the intrusion of a Chinese highaltitude surveillance balloon into US airspace, both sides repeated familiar positions on Taiwan. According to the Chinese Foreign Ministry, Wang repeated that "to preserve stability across the Taiwan Strait, one must firmly oppose 'Taiwan independence' and uphold the one-China principle. On the Taiwan question, the US side should respect historical facts, honor its political commitments, and follow through on its statement of "not supporting Taiwan independence." Blinken countered that "there had been no change to the longstanding US one-China policy, and he underscored the importance of maintaining peace and stability across the Taiwan Strait.' Despite what all recognize as the urgent need to reduce tensions in the Taiwan Strait, the only dialogue channel between the US and China continues to be a dialogue of the deaf.

The sense in Washington that the risk of conflict is growing is fed by statements by members of Congress and senior members of the administration and the military. One of the more disturbing was the assessment the Director of National Intelligence William Burns that the US knows "as a matter of intelligence" that CCP Secretary General Xi has ordered the PLA to be prepared to invade Taiwan by 2027, although Burns added that does not mean that Xi has decided on or even prefers such a course. In testimony to the Senate on March 22, Secretary of State <u>Blinken said</u> he shares Burns' judgment.

Honduras Abandons Taipei; Paraguay Remains

On the eve of Tsai's trip to Guatemala and Belize in late March, Honduras and China established official ties, reducing the number of nations who recognize Taipei to 13. Losing this Central American ally of 82 years, while painful and humiliating for Taipei, was not unexpected. Honduras's President Xiomara Castro had pledged to cut ties with Taiwan during her 2021 campaign but stalled due to US entreaties and pressure. Attention then turned to Paraguay's presidential election on April 30, where a candidate had <u>called</u> for a possible leading switch to Beijing if Taiwan does not "compensate" for missed economic opportunities. Taipei breathed a sigh of relief when the ruling Colorado Party, which strongly favors maintaining ties with Taiwan, won the vote.

Macron Undercuts European Unity on Taiwan

Following a three-day state visit to China in early April, French President Emmanuel Macron <u>said</u> in an interview that Europe should chart an independent course toward China separate from the US, especially on the sensitive matter of Taiwan. "The worse thing would be to think that we Europeans must become followers on this topic and take our cue from the US agenda and a Chinese overreaction," Macron proclaimed. The French president also cautioned against European entanglement in "crises that are not ours."

Macron's comments were repudiated across the European continent. German Foreign Minister Annalena Baerbock, on a visit to Beijing a week later, <u>proclaimed</u> that an invasion of Taiwan would be a "horror scenario for the whole world" and would be unacceptable for Europe. EU Commission President Ursula von der Leyen, in a <u>speech</u> before the European Parliament, made clear that Europe stands "strongly against any unilateral change of the status quo" in the Taiwan Strait. Central and Eastern European leaders were even more critical of Macron's comments.

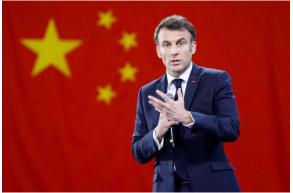


Figure 5 France President Macron speaks to students at Sun Yat-sen University in Guangzhou, China. Photo: JiJi/AFP via Getty Images

The French president <u>sought to walk back</u> his comments following the backlash, saying that Paris supports the "status quo" in the Taiwan Strait, "the one-China policy and the search for a peaceful resolution to the situation." Sending a quite different signal, the French Navy's Floréal-class surveillance frigate *Prairial* made a rare transit in the Taiwan Strait from April 9-10. Still, the episode laid bare tensions within the 27-member EU bloc on how best to handle relations with the US with respect to China and cross-Strait issues.

Taiwan's Presidential Election Campaign Begins

We are less than a year from the Jan. 13, 2024, election for Taiwan's next president. Tsai Ingwen is ineligible for a third term. Following its sometimes narrow electoral victories across Taiwan in November, the opposition KMT is feeling a surge of optimism. Yet, as Nathan Batto noted in his April 10 blog on *Frozen Garlic*, the DPP has <u>moved back ahead</u> of the KMT in public opinion surveys.

The two visits to China by Ma Ying-jeou and Andrew Hsia confirm that the 1992 Consensus remains at the center of the KMT platform, or at least the platform favored by the KMT's older generation. Others in the party reportedly <u>want</u> to abandon what has been the standard version of the KMT 1992 consensus, "one China, different interpretations," and move toward a revised interpretation, perhaps that "the 1992 consensus is the Republic of China." In response, KMT Chairman Eric Chu insisted to reporters that there has been no debate in the party about revising the 1992 consensus.

Hou You-yi, the mayor of New Taipei, the current front-runner for the KMT presidential nomination, has expressed general support for the 1992 Consensus, perhaps simply to unite the KMT behind him, without explaining exactly what he thinks it means. Instead, he has preferred to say cross-Strait policy should be based on strengthening Taiwan's democracy and defense while reducing cross-Strait antagonism. Hou may hope to avoid cross-Strait issues and campaign as an effective and popular political manager who has proven he can govern Taiwan's largest municipality. However, almost all Taiwan presidential elections have turned on the issues of cross-Strait relations and Taiwan identity.

Taiwan Vice President William Lai was elected DPP party chair on Jan. 15 after President Tsai resigned from that position to take responsibility for the DPP's defeat in the November elections. Lai said that the Taiwan public is well aware that Beijing's 1992 Consensus leaves no room for the existence of the Republic of China (ROC) or the sovereignty of 23 million Taiwanese people. Lai was nominated as the DPP presidential candidate on April 12, reportedly sparking concern among US officials who remember his earlier statements that he was "a worker for Taiwan independence." One commented that it was "difficult to be reassured when you hear him declare that Taiwan is an independent nation." Of course, this is little more than what ordinary Taiwanese and Taiwan's representatives in Washington say routinely, adding that it is the Republic of China.

Two other possible candidates for president have made what has become the obligatory stop in the US to polish their international credentials. Terry Gou, founder of Foxconn, has <u>announced</u> that he is a candidate for the KMT presidential nomination. Ko Wen-je, former Taipei City mayor and founder of the Taiwan People's Party, has been all but explicit in signaling that he is considering a third-party bid for the presidency. Both have cast themselves as pragmatists, able to eschew ideology and find common ground with Beijing. Neither Hou nor Lai have announced plans to visit the US. Given his position as Taiwan vice president, Lai would most likely only be able to travel to the US as part of a transit. Although neither Hou or Lai have visited Washington, a series of KMT and DPP surrogates have met with US officials to reassure them of their candidates' policies.

Looking Forward—Known Unknowns

The KMT is expected to nominate its candidate for president of the Republic of China before the end of June. At that point, the campaign will begin in earnest. The KMT will seek to portray itself as the party that can reduce tensions with Beijing without sacrificing Taiwan's dignity and de-facto independence. The DPP will present itself as the party that has stood up to Beijing's intimidation, strengthened Taiwan's selfdefense and its ties with the US, and cemented Taiwan's stature with East Asian and European powers. The outcome of the election may be determined by two known unknowns: first, whether Gou or Ko choose to run and drain support from the KMT or DPP, and, second, whether Beijing will take rhetorical or coercive steps to influence the campaign, perhaps once more boosting the DPP's fortunes.

CHRONOLOGY OF CHINA-TAIWAN RELATIONS

JANUARY—APRIL 2023

Jan. 1, 2023: In her New Year speech, Taiwan President <u>Tsai Ing-wen offers</u> to help China deal with a recent surge of COVID infections. Tsai also said that she is looking forward to resuming regular cross-Strait exchanges when the COVID-19 pandemic subsides.

Jan. 1, 2023: Chinese President <u>Xi Jinping says</u> during his televised New Year speech that he sincerely hopes that "our compatriots on both sides of the Strait will work together with a unity of purpose to jointly foster the lasting prosperity of the Chinese nation."

Jan. 1, 2023: Song Tao, newly appointed Director of China's Taiwan Affairs Office (TAO), says in a published New Year's message that China will "carry out extensive and in-depth discussions on cross-Strait ties and national reunification with people of foresight from various sectors of Taiwan society" on the basis of the one-China principle and the 1992 Consensus. To many in Taiwan that sounded like a call to reinvigorate China's united-front tactics against Taiwan.

Jan. 3, 2023: Former Danish Prime Minister and NATO Secretary-General Anders Fogh Rasmussen arrives in Taiwan for a three-day visit. He says NATO should consider holding joint exercises with Taiwan on "European soil."

Jan. 5, 2023: Taiwan's Ministry of National Defense (MND) <u>says</u> that its capacity will be sufficient to train conscripts once mandatory military service in Taiwan is extended to one year in 2024.

Jan. 5, 2023: USS *Chung-Hoon* conducts first US Navy transit of 2023 through the Taiwan Strait.

Jan. 7, 2023: First ferry crosses from Kinmen to Xiamen since the mini-three links were suspended by COVID three years earlier.

Jan. 9, 2023: Kaohsiung Customs commissions two new radiation portal monitors provided by the US.

Jan. 10, 2023: Papua New Guinea Foreign Affairs Minister Justin Tkatchenk announces that PNG will close its trade office in Taiwan because of financial difficulties.

Jan. 14, 2023: United States Trade Representative (USTR) and Taiwan's Office of Trade Negotiations (OTN) open four-day inperson negotiating round for the US-Taiwan Initiative on 21st Century Trade in Taipei.

Jan. 15, 2023: Vice President William Lai Chingte is elected chairperson of the Democratic Progressive Party (DPP) after President Tsai resigned to accept responsibility for the DPP's poor showing in November's nine-in-one local elections.

Jan. 20, 2023: Taiwan's Legislative Yuan passes a central government budget for fiscal 2023. It includes US\$19.1 billion defense spending.

Jan. 20, 2023: US Secretary of State Antony <u>Blinken states</u> that "China [has made] a decision that it was no longer comfortable with the status quo."

Jan. 27, 2023: President <u>Tsai announces</u> that former Vice President Chen Chien-jen will replace Premier Su Tseng-chang.

Jan. 30, 2023: Tsai Ing-wen and the presidentelect of Czechia, Petr Pavel, speak by telephone for 15 minutes. Beijing delivers a diplomatic demarche to Prague.

Feb. 4, 2023: US and Japanese representatives to the annual meeting of the World Health Assembly (WHA) <u>call for</u> the participation of Taiwan in the work of the World Health Organization (WHO).

Feb. 6, 2023: Kinmen County Legislators <u>urge</u> that the island be made into a demilitarized zone.

Feb. 7, 2023: The Taiwan American Chamber of Commerce releases its annual survey of American companies in Taiwan on the economic outlook. 33% of surveyed <u>companies say</u> that their operations had been "significantly disrupted" by cross-Strait tension while 47% have revised or plan to revise business continuity plans in Taiwan to address new geopolitical conditions.

Feb. 8, 2023: KMT Vice Chair Andrew Hsia leads a delegation to China, saying his purpose is to promote the interests of Taiwanese working, studying, or living in China.

Feb. 9, 2023: TAO Director <u>Song Tao tells</u> visiting KMT Vice Chair Hsia that the mainland is willing to enhance exchanges and build mutual trust and work with the KMT to promote relations between the two parties and two sides of the Taiwan Strait, on the basis of the common political foundation of upholding the 1992 Consensus and opposing "Taiwan independence."

Feb. 12, 2023: Taiwan and China exchange accusations over Taiwan's refusal to issue visas to a delegation of 12 mainland officials seeking to attend the funeral of Buddhist monk and founder of the Fo Guang Shan organization Hsing Yun.

Feb. 13, 2023: Unnamed senior Taiwan official says Chinese military balloons have entered Taiwan airspace very frequently over the past few years.

Feb. 15, 2023: Paraguay President Mario Abdo Benítez arrives in Taiwan for a five-day state visit.

Feb. 16, 2023: China's Ministry of Commerce sanctions Lockheed Martin and Raytheon for arms sales to Taiwan, blocking visits by executives and investments and imposing fines.

Feb. 17, 2023: Deputy Assistant Secretary of Defense <u>Michael Chase arrives</u> in Taiwan. He is the most senior Defense Department visitor to Taiwan since 2019.

Feb. 25, 2023: Chinese authorities <u>capture and</u> <u>return</u> two Taiwanese criminal suspects to Taiwan. The two were accused of a shooting in Tainan in November.

Feb. 27, 2023: Longtime Taiwan Independence advocate <u>Koo Kwang-ming dies</u>. President Tsai expresses gratitude for his support for Taiwan's democratic values and its localization movement.

Feb. 28, 2023: A <u>Washington Post article</u> <u>highlights</u> Taiwan's shortage of air force pilots and Taiwan's broader military personnel crisis.

Feb. 28, 2023: American Institute in Taiwan <u>publishes</u> a letter from the US Departments of Agriculture, Commerce, and State saying that they "encourage cooperation with Taiwan and stand ready to help state and local governments navigate questions of nomenclature and protocol."

March 2, 2023: <u>AIT announces</u> the retirement of James Moriarty as chairman and the appointment of Laura Rosenberger as new chair. Rosenberger was previously special assistant to the President and senior director for China and Taiwan on the National Security Council (NSC).

March 5, 2023: Chinese Premier Li Keqiang, in his final work report to the National People's Congress, says that Chinese on both sides of the Taiwan Strait "are one family bound by blood."

March 9, 2023: Director of North American Affairs at Taiwan's Ministry of Foreign Affairs, Douglas Hsu You-tien, says that <u>China is spreading</u> misinformation to denigrate US support for Taiwan.

March 14, 2023: Honduras President <u>Xiomara</u> <u>Castro announces</u> the country will switch its diplomatic relations from the Republic of China to the People's Republic of China.

March 27, 2023: Former President Ma Ying-jeou arrives in China leading a delegation of Taiwan students.

March 27, 2023: Founder and former CEO of Foxconn <u>Terry Gou arrives</u> in the US for a visit after signaling his intention to seek the KMT nomination for president of Taiwan.

March 30, 2023: Taiwan President Tsai arrives in New York on the first leg of her transit of the US enroute to Guatemala and Belize. <u>Tsai meets</u> with Senators Dan Sullivan, Joni Ernst, and Mark Kelly, as well as Congressman Hakeem Jeffries, and New Jersey Gov. Phil Murphy.

March 21, 2023: Germany's education minister visits Taiwan, the first visit to the island by a German Cabinet official in a quarter century.

April 5, 2023: During her transit of Los Angeles, President Tsai meets with Speaker of the US House of Representatives Kevin McCarthy and 19 members of Congress. During a joint press conference with Tsai, <u>McCarthy stresses</u> that US support for Taiwan "is a matter of profound importance to the free world."

April 8, 2023: Taiwan People's Party (TPP) Chairman and and former Taipei mayor <u>Ko</u> <u>Wen-je embarks</u> on a three-week tour of the US in advance of his anticipated 2024 run for Taiwan president.

April 10, 2023: China announces it has concluded three days of military activities around Taiwan in retaliation for Tsai's visit to the US and her meeting with Speaker McCarthy. Taiwan's Ministry of National Defense reports 232 PLA aircraft and 12 ships participated. A record-breaking 91 Chinese military aircraft and 12 naval ships <u>are detected</u> around Taiwan on April 10.

April 12, 2023: Taiwan's ruling Democratic Progressive Party nominates Vice President William Lai Ching-te as its presidential candidate in the 2024 election.

April 12, 2023: Taiwan's Directorate General of Budget, Accounting and Statistics <u>reports</u> the number of Taiwanese working in China dropped by nearly two-thirds over the past decade.

April 20, 2023: Friends report that Fucha, editor-in-chief of Taiwan-based publisher *Gūsa*, <u>has been arrested</u> in Shanghai.

April 24, 2023: Guatemala President Alejandro Giammattei arrives in Taiwan for a four-day visit.

April 25, 2023: <u>Beijing announces</u> that Taiwanese activist Yang Chih-yuan, who was <u>detained in mainland China eight months</u> earlier, will face "secession" charges. This would be the first time someone from Taiwan will face such charges on the mainland.

PACIFIC FORTUR CONNECTIONS

A TRIANNUAL E-JOURNAL OF BILATERAL

RELATIONS IN THE INDO-PACIFIC

NORTH KOREA-SOUTH KOREA RELATIONS

NORTH CRANKS UP NUKES—AND SLAMS DOWN THE PHONE

AIDAN FOSTER-CARTER, LEEDS UNIVERSITY, UK

The first four months of 2023 brought no progress or respite in inter-Korean relations. Pyongyang sent no further drones into Southern airspace as it had in December, but continued to rattle Seoul with tests of advance weaponry and ever more lurid nuclear rhetoric. South Korea hardened its language and stance, with a restored emphasis on human rights in the North—now officially defined as an enemy once more. ROK President Yoon Suk Yeol also found enemies within: leftists who made contact with the DPRK in third countries were no longer ignored but prosecuted. More ominously, so were four top officials who served the previous president, Moon Jae-in, over how they handled two difficult inter-Korean incidents in 2019-20. Elsewhere, Seoul complained in vain about Pyongyang's abuse of its assets in two defunct joint ventures: stealing some, destroying others. Soon after, the North stopped answering the phone. It is hard to see how North-South relations will improve, but all too easy to imagine them getting even worse.

This article is extracted from <u>Comparative Connections</u>: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: Aidan Foster-Carter, "North Korea-South Korea Relations: North Cranks Up Nukes—and Slams Down the Phone" *Comparative Connections*, Vol. 25, No. 1, pp 109–122.

Drone Fallout: Four Failings

The year began with South Korea still reeling from Dec. 26's North Korean drone incursion (see our previous issue for a fuller account). The post-mortems continued throughout January and beyond. It remains disputed how far this incident exposed serious risks, be they of actual attack—military drones are different and bigger beasts altogether, easier to detect—or of espionage. The one UAV that got close to the presidential residence is thought unlikely to have had the technology to take photographs usable for intelligence purposes.

But even if the danger was minimal, this incident was very embarrassing, exposing as it did gaping holes in border air defenses. On Jan. 26, the ROK Joint Chiefs of Staff (JCS) briefed the National Assembly's Defense Committee on the interim findings of its internal inquiry. As often in Seoul, some of this was leaked to the media (for full links, see the Chronology).

The JCS reportedly identified "insufficiencies" in four areas: threat perception, internal information-sharing, equipment, and training. Illustrating the first of these: although the frontline Army First Corps did detect at least one of the intruding UAVs, this was not initially classified as an emergency. The problem is that with over 2,000 radar trails daily, many are hard to interpret: "there are great limitations in determing [sic] that they are the enemy's small unmanned aerial vehicles." As for info-sharing, it transpired that there was no automatic incident referral process from frontline units to the Capital Defense Command; that has now been remedied. Steps are also being taken to improve anti-drone equipment and training, such as drills on Jan. 5. For obvious reasons, exactly how the ROK will beef up its defenses in this domain will not be publicized in detail.

Retaliation is Risky

Initially, of course, there was no way of knowing if this marked the launch of a whole new campaign of provocation by Pyongyang, or whether (as it turned out) it was just a one-off, at least for the time being; as of mid-May there have been no more drone incursions. For fear of the former, or perhaps hoping to prevent it, in the immediate aftermath of the incursion there were quasi-officials warnings that Seoul would strike back hard if the North tried this again. On Jan. 9 "a high-ranking presidential official" told the *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" but will retaliate by launching Southern 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]."

Fortunately, such threats have not been put to the test. (One imagines Kim Jong Un channeling Clint Eastwood: "Make. My. Day.") True, South Korea is sorely provoked by this and much else the North does. But an escalatory response, even in a nonlethal area like UAVs, can only increase risk—besides being illegal under the 1953 Armistice. Worryingly, Yoon Suk Yeol, the conservative political ingenu who narrowly won the presidency last year, has adopted "<u>tit for</u> <u>tat</u>" reaction as a wider principle. Yet as retired ROK Lt. Gen. Chun In-bum told VOA, "a million things can go wrong." He gave four examples (bullets added):

- "Yoon's orders could be misinterpreted by an overeager South Korean military leader.
- North Korea could confuse South Korea's retaliation with an attack, and fire on the South.
- South Korean weapons could malfunction, as they did on multiple occasions during such responses last year.
- Advanced South Korean weapons, such as drones, could be captured by the North if sent across the border."

<u>Elsewhere</u> Gen. Chun has noted that tit-for-tat retaliation risks losing Seoul the moral high ground. Rules of engagement allow for selfdefense, but not revenge: a crucial distinction.

Much Talk, but Little Action—Thankfully

Early January's 'gloves off' hint-dropping in Seoul also extended to the policy realm. On Jan. 4 Yoon's spokesperson said that if the North again violates Southern territory, the president has "instructed the National Security Office to consider suspending the Sept. 19 (2018) military accord." Off the record, the presidential office went further, warning that any repetition could see Seoul suspend not only the military accord, but also the entire 2018 inter-Korean joint declaration, to which the military pact is technically an annex. The Ministry of Unification (MOU) chimed in too, saying it is reviewing whether any such suspension would make it legal again to resume propaganda broadcasts or sending leaflets across the border.

On leafleting, which raises wider issues such as freedom of speech, separate legal clarification came later in April from the ROK Supreme Court, as discussed below. All the rest is just talk, and one must hope it remains so. On the propaganda and military fronts alike, there seems no good rationale for Seoul to respond to Pyongyang's provocation on a tit-for-tat basis, let alone escalating matters. The South should not be the Korea raising tensions, in any circumstances.

Nor is precedent encouraging. The last time the ROK unilaterally abrogated an inter-Korean enterprise was in Feb. 2016, when Park Geunhye abruptly closed the joint venture Kaesong Industrial Complex (KIC, discussed below). Anomalous as the KIC may have become amid rising nuclear and other tensions, seven years later it is hard to see how destroying the one last vestige of North-South interaction and win-win cooperation was a positive step.

Will Lingerie Malingerer Reveal All?

January also brought a new twist in a smaller story, which may become big news. Assiduous readers of this journal, who peruse our Chronology as well as the text—you really should, as that is where we report and reference many more items than there is space for in the main article—will recall that on Nov. 16 the *JoongAng Daily* ran what must be a contender for the ultimate clickbait headline (it's got it all): "Fugitive underwear boss gave Kim Jong-un Hermès saddle, say prosecutors." (This allegedly happened in 2019.)

Kim Seong-tae is a fugitive no longer. Nabbed by local police on a golf course in Thailand on Jan. 10, to general surprise the ex-chairman of SBW (Ssangbangwool) Group did not fight his extradition; the relative comfort of Korean versus Thai jails reportedly swayed his decision. Swiftly repatriated by a prosecution team, he was flown home on Jan. 17. On Jan. 20, he was formally arrested on charges including embezzlement, bribery, and illegal transfer of cash to North Korea. He has yet to appear in court, but prosecutors continue to leak tidbits to the media, especially the *JoongAng*, surely a questionable practice for matters *sub judice*.



Figure 1 Kim Seong-tae, former chairman of underwear maker Ssangbangwool Group, arrives at Incheon International Airport, from Thailand on Jan. 17, 2023. Photo: Pool/Yonhap

Thus on Jan. 31, citing "informed officials," Yonhap (the quasi-official ROK news agency) reported that Kim Seong-tae now claims to have delivered \$8 million—the amount gets larger with each report—to North Koreans in 2019. Nor was this solely to promote his own business interests—whatever those might be, given that Seoul has banned all inter-Korean commerce since 2016. Another aim was to advance a joint venture "smart farm" project promoted by the ROK's Gyeonggi Province (which surrounds the capital; nowadays in effect greater Seoul), and relatedly a visit to the DPRK by Gyeonggi's governor -- none other than Lee Jae-myung, who went on to become the then ruling liberal Democratic Party (DPK)'s presidential candidate last year, and now leads the party after his defeat by Yoon Suk Yeol.

Prosecution or Persecution

Clearly this case has a domestic political dimension. In a long and baleful bipartisan tradition of vindictiveness in Seoul, it is hard to avoid the impression that Yoon (a former prosecutor-general, who has given government jobs to not a few ex-colleagues), is going after Lee and others linked to his liberal predecessor Moon Jae-in—who did the same to associates of the president before him, the disgraced and impeached conservative Park Geun-hye. All else aside, this seems a perverse tactic for Yoon: the DPK controls the National Assembly, so he needs the opposition party's cooperation to get any legislation passed.

On March 22 Lee was <u>indicted</u> on separate corruption and related charges, not involving North Korea. In the SBW case, the prosecution is openly trying to establish a link between Lee and Kim Seong-tae. Each at first denied knowing the other, but Kim has since changed his tune. (They are connected indirectly in any case via Lee's former deputy governor and close associate, <u>Lee Hwa-young</u>.) Lee responded with waspish wit his image is more of a <u>vulgar</u> bruiser—<u>telling</u> reporters: "It appears that a new novel by the prosecution has been released. Considering their creative writing skills, it won't sell well." Watch this space.

It is the prosecution's job to pursue lawbreakers. The question is which cases, and persons, they choose to take up. Illegal financial transfers to the DPRK are one thing. Much more questionable is prosecuting former government officials for their policy decisions relating to North Korea, which sets a dangerous precedent. Yet that is the path Yoon has chosen on two contentious issues: the handover of two defecting fishermen to North Korea in November 2019, and the killing of ROK fisheries official Lee Dae-jun in DPRK waters almost a vear later. This journal covered both incidents at the time, and we commented on the disinterment of these cases in our penultimate issue (Sept. 2022, section headed "Reframing the Past"). (On the fishermen's case, see also this useful discussion from last year.)

Regarding the 2019 repatriation, on Feb. 28 four former ministers and top-level officials were indicted: Chung Eui-yong (ex-national security adviser and foreign minister), Noh Young-min (former presidential chief of staff), Suh Hoon (ex-NIS chief), and Kim Yeon-chul (quondam Minister of Unification). Accused variously of abuse of power, obstructing the fishermen's rights, and falsifying documents, they were not detained—except Suh, who was already behind bars awaiting trial for his role in the Lee Daejun case. (He was later released on bail on medical grounds, but remains under house arrest.)

Here too we must await the trials. Pending those, remember that the repatriated North

Koreans had confessed to mass murder. Did those who sent them back make the wrong call, morally or legally, when in ROK law confession alone does not suffice to convict? Might they not have acted in good faith? And in a democracy where rulers change, but with a constitution wherein the DPRK has no legal standing, who in future will want to shoulder responsibility for policy toward North Korea, if the reward is to risk imprisonment subsequently?

Watching the Defectors

The number of North Koreans <u>reaching</u> South Korea is now tiny, compared to earlier in this century (see details in the Chronology). Moreover, the raw figures, large or small, may hide important aspects. To be clear, almost no one goes directly from North to South Korea: the DMZ is all but impassable in any case, except to the rare soldier or gymnast.



Figure 2 Director Hanna Song speaks about genderbased violence of North Korean women who cross the DPRK-PRC border at the 52nd UN HRC event cohosted by Global Rights Compliance, FIDH, NKDB, and TJWG. Photo: Twitter/@GRC_HumanRights

Rather, those who reach Seoul have come from third countries, often by circuitous routes and after months or years outside the DPRK. Their trajectories differ significantly by gender. The great majority of arrivals are women. Almost all come from China, where they may have spent a long time in situations of varying degrees of legality and <u>grimness</u>. The far smaller number of men who make it to the ROK now, by contrast, tend to have escaped from labor contracts abroad. In January *Yonhap* noted a small surge from Russia, where the DPRK has for decades sent loggers and other contract workers (continuing even when banned by UN sanctions). Upheavals caused by the invasion of Ukraine apparently gave them their chance to flee.

Whenever and howsoever they came, how former North Koreans fare in their new life in the South has long been a concern. Lacking skills and relevant experience, very few find Seoul's fast-paced streets to be paved with gold. In April their welfare benefits were increased, and MOU pledged better monitoring. This followed a shocking <u>case</u> last October where the skeletal remains of a defector were found in her apartment. No one had missed her for a year, though she had once been a well-known success story. Nor was this the first such incident.

(This section includes helpful insights and analysis from Rev. <u>Eric Foley</u> of <u>Voice of the Martyrs</u>, who <u>works</u> closely with DPRK defectors. My thanks to him.)

Hey, That's Our Bus!

Politically the peninsula seems gripped by endless winter. Yet in Korea, as elsewhere, spring is sprung and nature blooms, heedless of human tensions. On April 5 *Rodong Sinmun* carried a picture of cherry blossoms in Pyongyang. Eagle-eyed readers in Seoul doubtless official: ordinary South Koreans are still banned from accessing DPRK media spotted an anomaly. The light traffic along sunny Juche Tower Street included a blue South Korean-made bus: one of several left behind at the Kaesong Industrial Complex (KIC), the joint venture just north of the DMZ which then-ROK President Park abruptly shut down in February 2016.



Figure 3 Cherry blossoms featured in Rodong Sinmun in Pyongyang, North Korea on April 5. 2023. Photo: Rodong Sinmun

This is not the first such sighting. In July 2022 a <u>screengrab</u> from the North's *KCTV* showed a similar <u>bus</u>, closer to home in Kaesong city. Nor

is this the first time the South has protested or tried to. On April 6 Seoul sought to raise this matter during the daily morning test of the inter-Korean hotline—but Pyongyang refused to accept the message.

South Korea voiced similar concerns about another former joint venture: the Mt. Kumgang tourist zone, rotting away on the opposite (eastern) side of the peninsula almost 15 years after it last saw any ROK tourists. Here the South's concern over misuse of its assets is less theft than demolition—and belated. Satellite photos suggest that the Haegumgang Floating Hotel, which ended up at Kumgangsan after a peripatetic history that took it from the Great Barrier Reef to Saigon (where it housed a glitzy nightspot), was torn down last year already.



Figure 4 Footage of what appears to be a South Korean bus left at the Kaesong Industrial Complex in North Korea on July 3, 2022. Photo: KCTV via NK News

And Then the Line Went Dead

To restate the obvious, North Korea these days evinces zero interest in anything South Korea says, or does, or once owned. Such thoroughgoing contempt raises the question: why even bother to have any lines of communication with such a despised enemy?

Evidently the same thought came to mind in Pyongyang. On April 7, one day after refusing to hear the South's complaint about its rerouted bus, the North did not answer the South's first daily test call on the inter-Korean liaison channel at 9 AM The same happened at 5 PM, and before that with the parallel routine daily calls at 4 PM on the two military hotlines: one each for the West and East Sea military regions. More than a month later, as of mid-May, this radio silence remained unbroken. While far from the first time North Korea has broken off contact to show its displeasure with the South, the current state of overall relations (hostile and non-existent, basically) suggests that these lines of communication will not soon be restored. As tensions rise, we can but hope that other channels behind the scenes still exist in case of need.

What Inter-Korean Future—If Any?

As spring gives way to summer, and Yoon marks his first year in office—just four more to go while Kim Jong Un could yet rule for another four decades—it is worth stepping back to ask what the inter-Korean future holds.

Executive summary: Not a lot, on present trends.

Besides the sadness—at least for those of us who hoped for better, and more than once dared to believe we were seeing it—of the current impasse between the two Koreas, and anxiety at the implications of ever tougher talk without any kind of peace process, there is the frustration of trying to discern exactly what either Korean regime seeks at this time, and how their means relate to ends. The Spice Girls put it more succinctly: "So tell me what you want, what you really really want."

What does Kim Jong Un want? We know what he is doing, but not really why. Recent DPRK foreign and security policy has three major strands. First, and most directly within our remit here, he has zero interest in better inter-Korean relations. Maybe he never did, and cultivating Moon Jae-in was merely a ruse to get to Trump. At all events, after the US-DPRK summit in Hanoi in February 2019 collapsed, for three years Kim rudely cold-shouldered the friendliest ROK leader he will ever meet, as amply documented in these pages. *A fortiori*, Pyongyang will not change its tune now that it faces a very different kettle of fish in Yoon Suk Yeol.

Second, Kim has greatly enhanced North Korea's nuclear capabilities. Hardware and rhetoric alike only grow more menacing, with ICBMs now posing a global as well as a local threat. Especially enervating for Seoul is the constant harping on nuclear first-use, and developments in weaponry such as multiple launch rocket systems (MLRS) whose target is on the peninsula.

Why does Kim do this? His arsenal now goes far beyond anything needed for self-defense. If his motives are obscure, the consequences of his actions grow ever clearer. Understandably, calls for South Korea to have its own nuclear deterrent are getting louder. A case in point is Seoul mayor Oh Se-hoon: not some far-right backwoodsman, but a moderate modernizing centrist -- and a likely presidential contender in 2027. When someone like Oh says Seoul needs nukes and damn the consequences, one must wonder how long Biden and Yoon can head off such talk by arrangements which to critics look more like a fudge than a guarantee. And if Biden's successor (perish the thought) turns out to be Donald Trump redux, the latter's toxic mix of contempt for US allies with utter unpredictability greatly increases the odds that South Korea's next president—or maybe the present one, given some comments Yoon has made—will grasp the nuclear nettle. Is that really what Kim Jong Un wants?

Strikingly, and perhaps consolingly, Kim's third foreign policy plank is to cleave ever closer to China and Russia. If such a new Cold War bloc is depressing globally, on the peninsula it may be positive. Xi and Putin have their own fish to fry; neither wants another costly Korean distraction, as in 1950–53. They may therefore restrain Kim, should that prove necessary.

Who will restrain Yoon Suk Yeol? Obviously he and Kim are not equivalent. South Korea is much provoked, and an effective responses are hard to find. But Yoon lacks political-much less military—experience, which is unsettling. Tough talk of tit for tat or threefold retaliation may play to the gallery, but it does not make the peninsula safer. Beyond the rhetoric, Yoon's government seems to have no new ideas on how to tackle the Northern question, judging from its policy initiatives to date. Re-emphasizing human rights, shamefully downplayed under Moon, seems proper, but also tells Pyongyang that this ROK government has no real interest in dialogue on any mutually acceptable terms. The same signal is sent by creating an advisory body to draw up a new policy blueprint for unification "based on freedom and democratic values." Professing mutual respect for each others' systems was always a headache in practice, but without it, what basis can there be for serious dialogue?

One suspects that Yoon wishes North Korea would just go away. His interests lie elsewhere:

notably (and laudably) in mending fences with Japan, as discussed elsewhere in this issue. But Kim will not give him that pleasure, or luxury. The question then is twofold: what nasty surprises Pyongyang has in store, and how Seoul, under an untried leader who clearly wants to look like a hard man, will respond. Hold on to your seats.

CHRONOLOGY OF NORTH KOREA-SOUTH KOREA RELATIONS

JANUARY—APRIL 2023

Jan. 3, 2023: South Korea's Ministry of Unification (MOU) <u>reveals</u> that in 2022 it approved twelve 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 Suk Yeol took office as President last May, including a shipment of (unspecified) goods worth 300 million won in December. It is <u>not known</u> how much, if any, of this aid has actually reached the DPRK, which nowadays normally spurns assistance from the ROK.

Jan. 4, 2023: A propos Dec. 26's incursion by five DPRK drones across the Demilitarized Zone (DMZ, the de facto inter-Korean border), discussed in our <u>last issue</u>, President 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" Defense Minister (MND) Lee Jong-sup 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 <u>cite</u> unnamed officials as warning that Seoul could 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" <u>tells</u> *Yonhap*, the quasi-official ROK news agency: "It's part of our sovereignty to invalidate inter-Korean agreements if circumstances change." Hinting at a major policy shift, MOU <u>says</u> it is reviewing whether it could legally resume propaganda broadcasts or sending leaflets if these agreements were suspended. (As of mid-May no such change of policy or practice has been observed.)

Jan. 5, 2023: In a U-turn, a military official <u>ad-mits</u> that on Dec. 26 one DPRK drone did penetrate a 3.7-kilometer-radius no-fly zone around the presidential office in Seoul's Yongsan district. The ROK Joint Chiefs of Staff (JCS) had previously dismissed such claims as "untrue and groundless." Military authorities still insist there was no security risk, doubting whether the North's UAV was even capable of taking usable 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 on Dec. 26 a "reckless" breach of the 1953 Armistice which blurred Pyongyang's culpability. Rejecting this charge, MND <u>claims</u> that its riposte was "a corresponding self-defense measure." (See also Jan. 26 below.)

Jan. 9, 2023: ROK presidential office <u>reveals</u> that last year (no date was cited) it granted a meeting request by DPRK human rights activists—including the militant group Fighters for Free North Korea (<u>FFNK</u>), which has persisted with now illegal balloon launches of leaflets across the Demilitarized Zone (DMZ)—and is "keeping the channel open." Under Yoon's predecessor Moon Jae-in, the Blue House shunned such groups as hostile.

Jan. 9, 2023: subscription website <u>NK News</u> <u>reports</u> 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's as well as the DPRK's launches. (For UNC's verdict, see Jan. 26 below.)

Jan. 9, 2023: ROK media <u>report</u> 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 are refusing the NIS's summons. A separate probe into another pro-Pyongyang network has led to raids in Jeju, Seoul, South Gyeongsang and North Jeolla provinces. (See also Jan. 18 and Feb. 1 below.)

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" <u>tells</u> the *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: second lowest annual figure ever, after the 63 who arrived in 2021. (See also Jan. 25.)

Jan. 10, 2023: Eight months after fleeing to Singapore, Kim Seong-tae, former chairman of Ssangbangwool (SBW) Group, an underwear maker, is <u>arrested</u> at a golf club in Thailand. Besides corruption charges, Kim is alleged to have illegally transferred funds to Norh Korea. (See Nov.16, 2022 in our previous <u>Chronology</u>, and Jan. 12, 17, 20, 31 and March 21 below.)

Jan. 12, 2023: Belying expectations of a lengthy contested extradition process, "judicial and other officials" <u>tell</u> *Yonhap*, South Korea's quasi-official news agency, that Kim Seong-tae has decided to come home and face the music. (One reason, reportedly, is that South Korean jails are more salubrious than Thai ones.)

Jan. 17, 2023: Handcuffed and flanked by prosecutors, Kim Seong-tae <u>arrives</u> at Incheon International Airport. Answering a reporter's question, he denies knowing opposition leader Lee Jae-myung. Lee says the same, but a former Ssangbangwool executive claims otherwise. Prosecutors begin questioning Kim the same day.

Jan. 18, 2023: After an hours-long standoff, a team from the National Intelligence Service

(NIS) and the National Police Agency (NPA) <u>raids</u> the Seoul headquarters of the Korean Confederation of Trade Unions (KCTU, the more left-wing of South Korea's two umbrella union groupings), "on suspicion of anti-communist law violations by some of its members." Amid reports of a scuffle, KCTU claims excessive force was used. Two simultaneous smaller raids take place elsewhere on KCTU members and affiliates. (See also March 28 below.)

Jan. 20, 2023: Suwon District Court grants a warrant and Kim Seong-tae is formally <u>arrested</u>. The charge-sheet includes embezzlement, bribery and illegal transfer of cash to North Korea.

Jan. 21, 2023: MOU data <u>show</u> that 3,647 applicants to meet North Korean family members died last year. Out of around 134,000 who originally registered for this scheme, only 42, 624—fewer than one-third—are still alive. Since 2000 there have been 21 rounds of face-to-face reunions, but none since Aug. 2018 and no realistic prospect of resumption. (See also Feb. 7.)

Jan. 25, 2023: Citing an unidentified "source," *Yonhap* <u>claims</u> that nine of the 67 North Korea defectors who reached Seoul in 2022 were workers coming from Russia. All male and previously unknown to each other, they include two soldiers in their 20s and several long-time loggers in their 40s-50s. Russia's invasion of Ukraine "caused a stir" which prompted their separate decisions to flee. MOU declines to confirm any of this, on security grounds.

Jan. 25, 2023: North Korea drone post-mortem continues. Citing "informed sources"—no doubt lawmakers briefed ahead of tomorrow's committee session; see Jan. 26—the ROK JCS blames "insufficiencies" on four fronts—threat perception, internal information-sharing, equipment and training—for the botched military response to the five DPRK UAVs which violated ROK airspace a month ago. Whether heads will roll in Seoul for this is unclear: "As the inspection is not over yet, we are not at the stage to mention a disciplinary step if any."

Jan. 26, 2023: Briefing the National Assembly's defense committee on the interim findings of its internal inquiry into the drone incident, the JCS <u>explains</u> that although the frontline Army First Corps detected at least one of the intruders, this was not initially classified as an emergency. With over 2,000 radar trails daily, many are hard

to interpret: "there are great limitations in determing [sic] that they are the enemy's small unmanned aerial vehicles."

Jan. 26, 2023: Exactly one month after North Korea's drone incursion, the US-led United Nations Command (UNC), which has oversees the DMZ, <u>finds</u> that both Koreas violated the 1953 Armistice by sending UAVs into each other's airspace on Dec. 26. MND retorts that the ROK's retaliatory drone was in self-defense, ergo not covered by the Armistice Agreement.

Jan. 27, 2023: In a report to President Yoon, MOU <u>sets out</u> seven key policy objectives for 2023. The ministry will try to "normalize" inter-Korean relations by seeking both direct and indirect contacts with Pyongyang, including via NGOs and international bodies. Yet Minister Kwon Young-se says that although ready to talk at any time. Seoul is not contemplating any new offer to do so: "It is important for North Korea to come back to dialogue with sincerity."

Jan. 27, 2023: South Korea's liberal opposition DPK <u>slams</u> the ruling conservative People Power Party (PPP) for trying to stop the transfer of authority to conduct DPRK-related anti-espionage probes from the NIS to the police (NPA), scheduled for end-2023. With President Yoon calling for this to be reconsidered, the DPK says: "Yoon has revealed his snaky (sic) true intention ... after using the NIS to noisily raid labor union offices" (see Jan. 18 above).

Jan. 30, 2023: ROK Coast Guard—specifically its Western Regional HQ in the southern port city of Mokpo—<u>arrests</u> an unnamed oil dealer. He is accused of supplying 19,000 tons of diesel fuel, worth 18 billion won (\$14.65 million), to North Korea in 35 ship-to-ship transfers during Oct. 2021-Jan. 2022, using a Chinese firm as intermediary for transport and payment. Two accomplices are booked without detention. This is the first arrest in such a case.

Jan. 31, 2023: Citing "informed officials" (aka leaking prosecutors), *Yonhap* <u>reports</u> that under questioning Kim Seong-tae claims to have de-livered \$8 million to North Korea in 2019, to promote Gyeonggi Province's smart farm project and a potential visit by Lee Jae-myung, then Gyeonggi governor. Kim now says he does know Lee; the latter still denies this.

Feb. 1, 2023: Prosecutors in the southwestern ROK city of Jeonju <u>charge</u> a local activist, Ha Yeon-ho, head of the Jeonbuk People Movement, with breaking the National Security Law by having unauthorized contacts with North Koreans. Ha allegedly met DPRK agents several times during 2013–19 in Beijing, Hanoi and elsewhere, and sent email reports to Pyongyang on South Korean politics. Denying the charges, Ha says the investigation is suppression.

Feb. 1, 2023: On the same day, Seoul Central District Court <u>approves</u> a prosecution request to detain four unnamed activists from Changwon in the southeastern ROK. Taking orders from DPRK agents in Cambodia and elsewhere, the accused allegedly founded an anti-government organization which organized pro-Pyongyang and anti-US activities.

Feb. 2, 2023: Relatives of Kim Jung-wook and Kim Kuk-gi—ROK missionaries arrested by North Korea in 2013 and 2014 respectively— <u>meet</u> Elizabeth Salmon, UN special rapporteur for DPRK human rights, who is visiting Seoul, to seek UN help in gaining their release. The two Kims are among nine South Koreas currently detained in North Korea for alleged anti-state crimes; three of them are priests.

Feb. 3, 2023: Meeting with Ven. Jinwoo—president of the Jogye Order, South Korea's largest Buddhist denomination—MOU Kwon Young-se asks for help from "the Buddhist circle" in improving ties with North Korea. Kwon stresses that the government wants to revive humanitarian exchanges. *Yonhap*'s report does not say how Ven. Jinwoo responded.

Feb. 6, 2023: NIS <u>says</u> it has formed a three-way inter-agency team with the NPA and the Supreme Prosecutors' Office (SPO) to probe domestic espionage cases linked to North Korea but only until Dec. 31. Under a contentious reorganization by Yoon's predecessor Moon Jae-in, from 2024 the NIS will lose its investigative powers in such cases to the police.

Feb. 6, 2023: Amid US-PRC tensions over a Chinese weather balloon which overflew the US before being shot down, an anonymous official <u>tells</u> *Yonhap* that a suspected DPRK weather balloon, some 2 meters long, entered ROK airspace (where exactly is not specified) for a few hours on Feb. 5. Unlike their US counterparts, South Korea's military took no action "as it deemed

the balloon as having no intention for spying activities."

Feb. 7, 2023: Under its work plan for 2023–25, MOU <u>vows</u> to "mobilize all available policy means to resolve the issue of families separated by the 1950–53 Korean War, prioritizing identifying whether their relatives in North Korea are alive." This hardly seems a realistic hope. Last Sept. Minister Kwon <u>proposed</u> resuming family reunions, but Pyongyang did not deign to <u>reply</u>.

Feb. 10, 2023: South Korea's Foreign Ministry <u>announces</u> the ROK's first bilateral sanctions against the DPRK's illicit cyber-activities, including cryptocurrency theft. These target four named individuals and seven organizations under the Reconnaissance General Bureau (RGB), North Korea's military intelligence agency. Earlier in Yoon's presidency Seoul sanctioned persons and institutions involved in the DPRK's WMD programs, and in evading multilateral UN Security Council (UNSC) sanctions. As the two Koreas have no intercourse, the South's sanctions are largely symbolic.

Feb. 16, 2023: As widely <u>trailed</u>, and interestingly timed—on Kim Jong II's birthday, a major public holiday in the DPRK—MND publishes a new <u>Defense White Paper</u> (though dated 2022). This calls North Korea an "enemy" for the first time since 2017; under Moon Jae-in that expression was excised. Kim Jong Un is now referenced merely by name; in the Moon era, more courteously, his title was also given (chairman of the State Affairs Commission).

Feb. 28, 2023: Seoul Central District Prosecutors Office <u>indicts</u> four of Moon Jae-in's former minister-level officials for alleged involvement in the forced repatriation of two North Korean fishermen in 2019. Chung Eui-yong (ex-national security adviser and foreign minister), Noh Young-min (former presidential chief of staff), Suh Hoon (ex-NIS chief) and Kim Yeonchul (quondam MOU) are accused variously of abuse of power under the NIS law, obstructing the fishermen's rights, and falsifying documents. They are not held; Suh is already detained on other charges (see April 3 below).

Feb. 28, 2023: MOU <u>launches</u> the Unification Future Planning Committee (UFPC). This new 34strong advisory committee of experts from academia and NGOs is tasked with drawing up a new policy blueprint for unification "based on freedom and democratic values." It will meet quarterly. Its five sub-panels include military matters, economic affairs and humn rights.

March 7, 2023: As often, ROK lawmakers <u>leak</u> tidbits from an NIS briefing to the press. The spy agency claims that the oldest of Kim Jong Un's three children is a son; rumors that he has phys-ical and mental issues are unconfirmed. His ever more prominent daughter Kim Ju Ae is home-schooled and enjoys riding, swimming and ski-ing. The third child's sex is unknown.

March 7, 2023: ROK JCS <u>deny</u> claims by their DPRK counterpart, the General Staff of the Korean People's Army (KPA), of a "very grave military provocation": namely firing over 30 artillery shells at a range in Paju near the DMZ. Seoul calls this "not true and a groundless claim."

March 9, 2023: Case papers for the officials indicted on Feb, 28 (see above) <u>reveal</u> that the fishermen were deceived: not realizing they were being repatriated, until their blindfolds were removed at Panmunjom. When the penny dropped, they struggled and attempted selfharm.

March 9, 2023: MOU Kwon <u>tells</u> Voice of America (VOA) that the Moon-era law which prohibits sending leaflets into North Korea is an "absolutely bad act" which needs revision: "The clause ... which legally blocks the things that could help North Korean people's right to know has a problem." In Nov. Kwon opined similarly to the Constitutional Court.

March 13, 2023: Oh Se-hoon, mayor of Seoul and a likely future PPP presidential contender, <u>tells</u> Reuters that South Korea should build nuclear weapons to bolster its defences against North Korea, even at the risk of international repercussions.

March 17, 2023: MOU <u>announces</u> increased financial and other support for North Korean defectors, including the first rise in the basic resettlement subsidy for four years.

March 21, 2023: South Korea <u>bans</u> the export via third countries of 77 items that could be used in North Korea's satellite program. Pyongyang has said it will put a military reconnaissance satellite into orbit this spring.

March 21, 2023: Lee Hwa-young (former vice governor of Gyeonggi Province and a close ally of opposition leader Lee Jae-myung), who already faces charges of bribery, is further <u>indicted</u> for collusion in Ssangbangwool Group's alleged illegal transfer of funds to North Korea in 2019–20. (More details in Korean <u>here</u>.)

March 23, 2023: For the first time since 2018 the ROK joins other democracies in co-sponsoring the United Nations Human Rights Council (UN-HRC)'s resolution on DPRK human rights. UN-HRC has passed such a resolution every year since 2003, but during 2019–22 Moon Jae-in's administration was not among its sponsors. In Dec. South Korea sponsored a similar resolution in the UN General Assembly (UNGA), again after a four-year hiatus.

March 24, 2023: MOU <u>calls on</u> North Korea to "faithfully" repay a loan that falls due today. In 2007, amid briefly burgeoning cooperation after the second North-South summit, Seoul loaned Pyongyang industrial raw materials, worth US\$80 million, to make garments, shoes and soap. Repayment was meant to be in kind, with minerals such as zinc; but the North has made no payments since 2008.

March 24, 2023: North Korea <u>claims</u> to have successfully tested an underwater nuclear attack drone during March 21–23, able to cause a "ra-dioactive tsunami" and destroy enemy ports.

March 24, 2023: Speaking at a memorial service on West Sea Defense Day (commemorating the 55 ROK service members killed off the west coast between 2002–2010), President Yoon <u>says</u>: "I will make sure North Korea pays the price for its reckless provocations."

March 27, 2023: ROK JCS <u>sounds</u> a skeptical note on the DPRK's new weapon (see March 24): "Our military is putting weight to the possibility that the claim might have been exaggerated or fabricated." Any new system is at an early stage of development.

March 28, 2023: Amid recent intensified WMD tests by North Korea, ROK President Yoon <u>tells</u> his Cabinet: "From now on, the unification ministry should stop giving away to North Korea (sic) and make it clear that as long as North Korea pursues nuclear development, we cannot give them a single won." **March 28, 2023:** Four unnamed current or former KCTU officials are <u>arrested</u> for alleged illegal contact with DPRK spies in third countries, including Vietnam (Hanoi), Cambodia (Phnom Penh) and China (Guangzhou). According to prosecutors, the chief suspect also briefed Pyongyang about ROK political developments on some 100 occasions, and was given orders—including to lead anti-government rallies. (See also Jan. 18, above.)

March 31, 2023: For the first time, MOU <u>pub-lishes</u> its annual report on North Korean human rights. It has compiled one each year since 2018, as mandated by a 2016 <u>law</u>; but under Moon Jae-in these were not made public. The 450 page report describes some 1,600 violations of human rights, based on the testimony of 508 defectors between 2017-22. (See also April 26.)

April 3, 2023: Seoul Central District Court <u>grants</u> bail on medical grounds (cardiovascular issues) to Suh Hoon. Now aged 70, Moon Jae-in's former national security adviser had been detained since Dec. on charges related to his handling of the Sep. 2020 killing of an ROK fisheries official in mysterious circumstances by North Korea.

April 5, 2023: A <u>photograph</u> of a Pyongyang street in *Rodong Sinmun*, daily paper of the DPRK's ruling Workers' Party (WPK), includes a South Korean-made bus: one of several abandoned in the Kaesong Industrial Complex (KIC) when then-ROK President Park Geun-hye unilaterally <u>closed</u> the joint venture in February 2016, in retaliation for North Korean nuclear and rocket tests.

April 6, 2023: MOU publicly <u>warns</u> the North to stop unauthorized use of the KIC and ROK property therein (or therefrom). It adds that Seoul sought to convey this message officially via the inter-Korean hotline earlier today, but Pyongyang <u>declined</u> to accept it.

April 7, 2023: North Korea does not <u>respond</u> to the South's usual twice-daily calls at 9 a.m. and 5 p.m. on their telephone liaison channel, nor to the separate daily test calls at 4 p.m. on two military hotlines covering the West and East Seas. Seoul's calls to the latter on April 8 and 9 also go unanswered (the civilian liaison line does not operate at weekends). **April 10, 2023:** With the North unresponsive to the South's routine liaison telephone calls for a fourth day, MOU <u>concludes</u> that Pyongyang has unilaterally severed all communications. The DPRK has made no official announcement or comment about this. (Past, briefer failures to answer were sometimes caused by technical problems; but usually the reason is political.)

April 11, 2023: MOU Kwon issues a <u>statement</u> on Pyongyang's continued radio silence: "The [ROK] government expresses strong regret over the North's unilateral and irresponsible attitude. We strongly warn that this will only lead the North to isolate itself and face more difficult situations."

April 12, 2023: MOU <u>says</u> that, for a sixth day, the North is still not picking up the phone: on either the main inter-Korean liaison channel, or the two military hotlines. As of mid-May this stony silence continues.

April 12, 2023: In a report to a National Assembly committee, MOU <u>says</u> North Korea has been raising threat levels by repeatedly holding drills to simulate tactical nuclear attacks

April 14, 2023: MOU <u>publishes</u> its annual Unification White Paper: first during Yoon's presidency. Its language is tougher than in the Moon Jae-in era; calling for instance for the denuclearization of North Korea, not of the Korean peninsula as formerly. MOU says: "The priority ... has been shifted to efforts to denuclearize North Korea, normalize the inter-Korean ties, improve the North's human rights records and prepare for unification." 2022 saw zero inter-Korean trade or personnel visits. A trickle of humanitarian aid remains, worth 2.6 billion won (\$2 million), down from 3.1 billion won in 2021. An English version is forthcoming.

April 19, 2023: *JoongAng Ilbo* <u>reports</u> that North Korea is soliciting Chinese investment for the Kaesong Industrial Complex (KIC). Next day MOU in effect <u>confirms</u> this: "Intelligence related to participation of companies from a thirdparty country in the factory zone has been detected, [and] we are looking into it with relevant institutions."

April 23, 2023: A survey by <u>Realmeter</u>, a leading ROK pollster, <u>finds</u> that 56% of the 1,008 adults sampled support South Korea developing its

own nuclear weapons to confront North Korea's nuclear threat. 41% are opposed, mainly fearing that this would incur sanctions.

April 23, 2023: Another poll by an NGO, of South Koreans in their 20s and 30s, <u>reports</u> that 24% deem Korean unification "absolutely necessary"—but 61% disagree. 88% view North Korea unfavorably; even more (91%) are negative towards China. By contrast, 67% have positive views of the US, and almost as many (63%) are favorably disposed towards Japan.

April 24, 2023: MOU <u>says</u> it is considering suing the DPRK for its "clear invasion of [ROK] property rights" at the KIC (see April 5, 6 and 19 above). Potential plaintiffs could include the Export-Import Bank of Korea (KEXIM), which handles government funds for inter-Korean cooperation, and MOU's own subsidiary the Kaesong Industrial District Foundation. Which jurisdiction any suit would be filed in is unclear, and the chances of redress non-existent. (See also May 5, below.)

April 25, 2023: MOU data show that 34 North Koreans (five men and 29 women) reached Seoul in the first quarter of this year: up from 11 in Q1 2022 and 25 in Q4, and bringing the cumulative total of defectors in South Korea to 33,916. (See also Jan. 10 and Jan. 25 above.)

April 26, 2023: MOU <u>publishes</u> an English-language version of its report on North Korean human rights. This is freely available on the ministry's <u>website</u>. (See also March 30.)

April 27, 2023: Reversing rulings by two lower courts, the ROK Supreme Court <u>finds</u> that the previous Moon Jae-in administration unjustly revoked the legal status of the militant balloon-launching activist group Freedom Fighters for North Korea (FFNK). The case will now go for retrial. For some reason this verdict is not publicized until May 5.

April 28, 2023: Meeting with US Defense Secretary Lloyd Austin in Washington, President Yoon <u>warns</u> that any use of nuclear weapons by North Korea would elicit an "overwhelming" nuclear response.

PACIFIC FORTUR CONNECTIONS

A TRIANNUAL E-JOURNAL OF BILATERAL

RELATIONS IN THE INDO-PACIFIC

CHINA- KOREA RELATIONS

DEEPENING SUSPICIONS AND LIMITED DIPLOMACY

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China and South Korea began 2023 with the temporary imposition of tit-for-tat restrictions by both governments on travel to the other country after China lifted its zero-COVID policy. Although the restrictions proved temporary, they pointed to the reality of a sustained downward spiral in China-South Korea relations accompanied by increasingly strident public objections in Chinese media to the Yoon Suk Yeol administration's steps to redouble South Korean alignment with the United States regarding Indo-Pacific strategy, supply chain resiliency, and shared values. South Korean Minister of Foreign Affairs Park Jin's congratulatory call to newly appointed Chinese Minister of Foreign Affairs Qin Gang on Jan. 9 was one of the few positive senior-level interaction between the two countries in early 2023; by the end of April, the main diplomatic interactions between China and South Korea had devolved into a dueling exchange of private demarches and public assertions that the other side had committed a "diplomatic gaffe."

This article is extracted from <u>Comparative Connections</u>: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: Scott Snyder and See Won Byun, "China-Korea Relations: Deepening Suspicions and Limited Diplomacy" *Comparative Connections*, Vol. 25, No. 1, pp 123–130.

As Yoon took steps to strengthen South Korean ties with NATO, stabilize relations with Japan, and upgrade efforts with the US to deter North Korea from continued nuclear development, Chinese criticisms of South Korea became increasingly ominous. They culminated in a stern Chinese diplomatic response to Yoon's interview with *Reuters* on April 19 in which he characterized a possible cross-strait conflict between mainland China and Taiwan as a global security issue.

Meanwhile, the 75th founding anniversary of North Korea's Korean People's Army (KPA) in February and China's National People's Congress (NPC) confirming Xi Jinping's third term as president in March drove symbolic exchanges of support between Chinese partystate and military leaders and their North Korean counterparts. The continued lack of a unified UN response to North Korean missile provocations renewed calls for Chinese "responsibility" and "influence" and Beijing's reassertions of Pyongyang's own "insecurity." The arrival of Chinese Ambassador to North Korea Wang Yajun in Pyongyang, delayed for two years following his appointment due to pandemic-related quarantines, may presage a broader opening for China-North Korea humanitarian exchanges alongside concerns about North Korea's ongoing militarv development.

A Rough Start to 2023 and Steady Deterioration in China-South Korean Relations

2023 got off to a rocky start for China-South Korea relations following the South Korean Ministry of Health and Welfare's decision to impose restrictions on Chinese travelers to South Korea in response to China's December 2022 decision to abandon its zero-COVID policy and reports that Chinese hackers attacked a dozen South Korean academic institutions. China's opening resulted in a spike in COVID-19 cases within China and generated concerns outside China that new COVID variants could generate another global wave of sickness. South Korea joined the United States, Japan, and many other countries in imposing health requirements on Chinese travelers, including mandatory COVID tests and quarantines for those with positive test results. Although South Korean restrictions on Chinese visitors were designed to monitor and contain the possible spread of new variants, China responded harshly and reciprocally, slapping similar restrictions on South Korean travelers to China. By mid-February, both sides had lifted pandemic-related restrictions, but the incident proved to be an accurate indicator of a broader downturn in China-South Korea relations that revolved mainly around China's response to South Korean efforts to align more closely with the United States.



Figure 1 South Korea imposes restrictions on Chinese nationals travelling to the country. Photo: Kim Jae-Hwan/SOPA Images/LightRocket/Getty Images

In the wake of China's sensitive response to the imposition of temporary restrictions on the travel of its citizens, Chinese media reacted with unusual sensitivity and intensity to a series of Yoon administration policy measures, all of which were connected with Yoon's efforts to strengthen relations with the United States. First, Chinese media reacted sensitively to NATO Secretary General Jens Stoltenberg's visit to Seoul. Stoltenberg's visit followed up on Yoon's participation in the NATO summit held in Spain the previous June, but Global Times reacted to Stoltenberg's comments on North Korea-related nuclear issues and to the idea of closer cooperation between South Korea and NATO, stating that "Nuclear sharing is just an excuse with which NATO's grip can be extended to Northeast Asia in an imposing manner." In addition, China's foreign ministry spokesperson sent a veiled warning regarding reports that South Korea might join the Quad by commenting that "state-to-state cooperation needs to be consistent with the trend of peace and development, rather than be about putting up exclusionary blocs."

In response to Yoon's March 1 speech signaling his intent to improve relations with Japan, Chinese media commentators such as prominent *Global Times* columnist Hu Xijin <u>responded</u> that the South Korean government is strategically "sleepwalking" and unnecessarily limiting its options by moving too close to the United States and Japan. Hu argued that "South Korea can stay stable and not become a pawn of the US, as it should be one of the players in the complex chess game in Northeast Asia."

Another major South Korea-related topic of coverage in Chinese media has been the impact on South Korean semiconductor firms of the US "attempt to crack down on China by weaponizing the chip supply chain." China has been concerned with US efforts to strengthen supply chain resiliency and deny China access to cutting edge technology such as the Chip 4 alliance. In conjunction with US Undersecretary of State for Economic Growth, Energy, and the Environment Jose Fernandez's visit to Seoul. Chinese coverage "alerted" South Korea not to bend to US pressure, editorializing that "China is where South Korea's real interests lie, and Seoul's best strategy is to balance its ties between China and the US." Noting that Samsung's profits declined in the first quarter of the year and that global semiconductor sales dropped by over 20% in February, the Global Times concluded that for US allies in Asia, "The economic damage now may serve as a timely reminder that China, South Korea, and Japan working together should come first, rather than the latter two countries falling in line with US strategy that goes against their own economic interests."

A Structural Shift in China-South Korea Bilateral Trade

A combination of shifts in semiconductor demand, US imposition of new export controls on China, and a sluggish technology sector spelled trouble for declining South Korean export volumes and resulted in a precipitous drop in South Korean chip exports to China. South Korea's Ministry of Trade, Industry, and Energy (MOTIE) reported a 16.6% year-on-year drop in South Korean exports to \$46.3 billion in January 2023, led by a 44.5% plunge in chip sales to \$4.8 billion. South Korea's exports to China dropped by 31.4% year-on-year to \$9.2 billion, led by a 46.6% plunge in semiconductor exports. These headline numbers point to structural drivers of a China-South Korea trade relationship that is experiencing a shift from a longstanding bilateral trade balance in favor of South Korea to one that favors China.

Several South Korean reports on trends in economic relations with China during this

period help provide a greater understanding of factors accompanying this shift. A survey by the Korea Institute for Industrial Economics and Trade of 406 South Korean firms in China <u>reveals</u> that almost 10% were considering leaving China due to China's economic slowdown, rising labor costs, and intensifying US-China competition. Among firms surveyed, only 27.3% and 14.5% reported increases in sales in 2021 and 2022, respectively, and 62% reported a decrease in profitability in 2022. South Korean companies reported increased localization of sourcing for materials, but greater difficulties in doing business in China.



Figure 2 Trilateral Finance Ministers and Central Bank Governors' Meeting with China and Japan in May 2023. Photo: Reuters

According to the Korea International Trade Association (KITA), China accounted for only 22.8% of South Korea's total exports in 2022 compared to 25.3% the previous year, a significant reduction in South Korea's overall trade dependency on China. The Korea Center for International Finance released a report entitled "Analysis and Implications of South Korea's Contraction in Exports to China," noting that South Korean exports to China declined by 4.4% in 2022, after having grown an average of 6.5% annually between 2017 and 2021. The report concluded that Chinese and South Korean exports are directly competitive in many third-country markets. A separate survey by KITA <u>revealed</u> that 41.5% of Korean exporters viewed China as their biggest competitor, while only 11.9% named Japanese companies as their biggest competitor.

In February, South Korea's Minister of Economy and Finance Choo Kyung-ho <u>attributed</u> South Korea's slumping exports during the first part of the year to higher energy prices, falling chip shipments, and lower demand from China. He projected that South Korea may not resume having a trade surplus with China, but pointed to China's reopening as a factor that might bolster both South Korea's economy and the China-South Korea trade balance. KITA estimated that China's economic recovery might reach 6.9% growth in the second quarter of 2023 and that its recovery could raise South Korea's economic growth by 0.16% and exports by 0.55% in 2023. However, an April report by the Bank of Korea assessed that the impact of China's economic recovery on neighboring countries was weaker than expected, in part due to the sluggish recovery of South Korean IT exports to China.

At the beginning of March, Deputy Trade Minister Jeong Dae-jin met China's Vice Minister of Commerce Li Fei in Seoul for the first time since June 2019 to discuss cooperation on supply chains, bilateral trade and investment, and the creation of a favorable business environment, marking a return to regular bilateral trade consultations. In addition, South Korea hosted the first Trilateral Finance Ministers and Central Bank Governors' Meeting with China and Japan in four years on May 1 and 2. The meeting reviewed macroeconomic and financial market developments, regional financing arrangements and financial safety macroeconomic surveillance nets. and conducted through the ASEAN Plus Three Macroeconomic Research Office (AMRO).

Beijing and Pyongyang Exchange Words of Strategic Partnership

China's Ambassador to North Korea Wang Yajun started official duties in April amid ongoing sanctions on Pyongyang, stalled denuclearization talks, and rising speculation about China-North Korea trade resumption. COVID restrictions delayed Wang's arrival for more than two years since his appointment in February 2021. In a meeting with Workers' Party of Korea (WPK) International Affairs Department Director Kim Song Nam on April 8, Wang delivered Xi Jinping's message to Kim Jong Un promoting China-North Korea strategic cooperation. Xi reiterated his support in another letter to Kim four days later.

Both messages responded to Kim's March 10 letter congratulating Xi on securing an unprecedented third term as China's president. China's March 2023 NPC confirmed this and other appointments, driving similar exchanges between Chinese and key North Korean leaders including Premier Kim Tok Hun and Supreme Standing Assembly People's Committee Chairman Choe Ryong Hae. Foreign Minister Choe Son-hui extended her congratulatory message to Chinese Foreign Minister and new State Councilor Qin Gang on March 12. This symbolic consolidation of strategic ties extended from party-state to military contacts. Chinese Defense Minister Wei Fenghe sent a letter to North Korean counterpart Kang Sunnam in February, when Pyongyang celebrated the KPA's 75th founding anniversary and displayed North Korea's nuclear advancements through a military parade.

North Korean Threats and Regional Security Cooperation

Kim Jong Un began the year by declaring at a WPK meeting the need for an "exponential increase of the country's nuclear arsenal." A range of missile activities from February continued to defy multiple UN resolutions. North Korea's latest weapons tests featured the Hwasonq-18 ICBM on April 12, prompting US-South Korean air drills. It followed ICBM launches on Feb. 18 and March 16, and a March 19 short-range ballistic missile launch that raised concerns for simulating tactical nuclear Korean weapons use. North military provocations intensified that month as South Korea resumed live military exercises with the United States between March 13 and 23, ending a five-year suspension under the Moon Jae-in administration.

Addressing an April 17 UN Security Council (UNSC) session, South Korean Ambassador Hwang Joon-kook called for stronger "responsibility" of UNSC permanent members and nuclear weapon states. The UNSC held its first meeting on North Korea this year on Feb. 20 after ten such meetings last year failed to produce results. US Ambassador to the UN Linda Thomas-Greenfield called the failure "not collective" but "specific," tracing to "two veto-wielding members of this Council who have repeatedly shut down all efforts at a meaningful response." As China's Deputy Permanent Representative to the UN Dai Bing affirmed, Beijing's response remained unchanged. blaming "highly provocative" US alliance activities for fueling North Korea's "sense of insecurity." The UNSC's February meeting failed coordinate an immediate response to

condemning Pyongyang's first ICBM launch this year and subsequent tests.

At a White House press briefing on April 6, National Security Council Coordinator for Strategic Communications John Kirby reiterated calls for Chinese responsibility, stating "We know that China has influence in Pyongyang." North Korean missile tests through diversified platforms drove South Korean media warnings on the "nuclear game of chicken" and need to "brace for contingency" by strengthening the US-South Korea alliance and trilateral cooperation with Japan. US Deputy Secretary of State Wendy Sherman vowed such joint deterrence in talks with South Korean and Japanese counterparts in Washington on Feb. 13.

China Responds to Yoon's Comments on Taiwan and the Biden-Yoon Summit

China's increasingly ominous public warnings and misgivings regarding the Yoon administration's series of moves to more closely align with the United States in the context of US-China rivalry finally lit the fuse of Chinese criticism of Yoon himself. It should not be surprising that the issue that lit the fuse came in an interview with Reuters less than a week in advance of the US-South Korea summit. Yoon responded to a question about Taiwan by saving that "the Taiwan issue is not simply an issue between China and Taiwan but, like the issue of North Korea, it is a global issue." Yoon's comment deviated from longstanding South Korean policy that accepted China's characterization of the Taiwan issue as an internal matter based on its one-China principle, provoking a strong response from Beijing.

The Chinese foreign ministry spokesperson <u>responded</u> to a question from Yonhap News Agency by reiterating that "the Taiwan question is purely an internal affair at the core of China's core interests . . . We hope the ROK side will follow the spirit of the China-ROK Joint Communique on the Establishment of Diplomatic Relations, stay committed to the one-China principle, and prudently handle matters related to the Taiwan question." South Korea's foreign ministry spokesman <u>responded</u> that China had committed a "serious diplomatic discourtesy" by objecting to "our leader's mention of the universal principle that we oppose the change of the status quo by force."

Both governments exchanged diplomatic demarches. Chinese Ambassador to South Korea Xing Haiming was called in to see First Vice Minister Chang Ho-jin while South Korean Ambassador to China Chung Jae-ho was called to the office of Chinese Vice Minister Sun Weidong. The Chinese Embassy in South Korea <u>released</u> a lengthy statement explaining how the Taiwan issue was completely different from the Korean Peninsula issue.



Figure 3 South Korea, China exchange harsh words over Yoon's remarks on Taiwan. Photo: Yonhap

A Global Times editorial strongly criticized Yoon's foreign policy outreach to the United States and Japan, South Korean objections to Chinese outrage over Yoon's remarks, and the issue of US spying on South Korea, asserting that "China has shown real and even extra diplomatic respect to South Korea, and we hope South Korea can show some self-respect." Xiang Haoyu of the China Institute of International Studies wrote that "the conservatives in South Korea seem to be losing their awareness of the country's unique geopolitical situation in the midst of their inflated great power mentality." Global Times columnist Hu Xijin argued that "China should maintain sufficient strategic determination and not dance with the Yoon government. We should stick to the basic direction and logic of China-South Korea relations. The attitude of the The Yoon Chinese side is consistent. government wants to go against the general trend, but in the end it will find that the trend is stronger than what it can do."

The South Korean embassy <u>sent response letters</u> on May 5 to editors at *Huanqiu Shibao*, the *People's Daily*, and the *Global Times*, charging that "by using sensational, provocative, and inappropriate language, your papers disparaged our president as well as the foreign policy of our government aimed at bringing peace and stability to the region, and did so from an extremely biased viewpoint without objective evidence."

Following the US-South Korea summit, Chinese criticisms of the US-South Korea alliance under Yoon were unflinching. Renmin University's Jin Canrong <u>stated</u> that Yoon's "unwise policy is unsustainable, because it goes against the national interests of South Korea."

A Period of Security and Economic Challenges on the Peninsula

As Commander of the US Indo-Pacific Command Adm. John Aquilino described at a House Armed Services Committee hearing on April 18, the current decade is a "period of increased risk" featuring Russia's war on Ukraine, North Korean military aggression, and China's "nuclear and conventional buildup" and behavior." "malign Heightened threat perceptions have amplified South Korean domestic debates on extended deterrence and South Korea's own nuclear buildup as the US-South Korea alliance marks its 70th anniversary this year. Reflecting on the second round of US-South Korea missile defense drills in February and a <u>post-Ukraine</u> "global security crisis," conservative voices further insisted that "the Seoul-Tokyo security cooperation should be expanded beyond normalization" given North Korea's ability to threaten both countries with its advancing missile technology.



Figure 4 Footage of what appears to be a South Korean bus left at the Kaesong Industrial Complex in North Korea on July 3, 2022. Photo: KCTV via NK News

Other views emphasize <u>humanitarian</u> rather than military responses to the North Korean threat. Unprecedented food shortages triggered North Korean military mobilization to boost production, as the *New York Times* reported in March. Grain production tops Kim Jong Un's economic priorities for 2023, reflecting enduring challenges of global sanctions, stateled development, and natural disasters exacerbated by COVID-19. Reported signs of post-pandemic economic reopening include renewed efforts to <u>draw</u> Chinese investment, including through the Kaesong Industrial Complex.

However, even more vexing for the future of China–South Korea diplomatic relations may be the diplomatic fallout from the US–South Korea summit and China's bitter response to both Yoon's comments on Taiwan and willingness to <u>call out China</u> for not implementing UN sanctions on North Korea. Despite Yoon's consistent characterization of relations with China as a positive–sum game in which both sides may proceed based on mutual interests, China's read of South Korea under Yoon appears to have darkened considerably during this period.

Even more worrisome Chinese are characterizations of South Korea's alignment with the United States and Japan as detrimental to South Korea's own security interests and the deep strategic logic of balance between the US and China that has characterized South Korea's traditional foreign policy approach. But China's dark warnings regarding the destabilization of peninsular security are clearly bounded, as Chinese policy toward North Korea over decades has clearly demonstrated. At the time that the South Korean ambassador to China presented his credentials to Xi Jinping, he conveyed a message of invitation to Xi to visit Seoul. But a prolonged stalemate in relations between Beijing and Seoul now seems more likely than rapprochement, perhaps for the duration of the Yoon administration.

CHRONOLOGY OF CHINA-KOREA RELATIONS

JANUARY—APRIL 2023

Jan. 2, 2023: South Korea <u>suspends</u> short-term visa applications from its consulates in China, restricts new flights from China to Korea, imposes testing requirements for travelers from China, and tightens quarantine measures for all travelers from China.

Jan. 6, 2023: Chinese Embassy in South Korea releases a statement protesting the visit of several South Korean lawmakers to Taiwan.

Jan. 9, 2023: Chinese and South Korean Foreign Ministers Qin Gang and Park Jin <u>hold</u> their first telephone talks.

Jan. 11, 2023: China <u>stops</u> issuing certain types of visas for South Korean citizens.

Jan. 17, 2023: Kim Jong Un <u>receives</u> a letter from Xi Jinping appreciating Kim's condolence message on Jiang Zemin's death.

Jan. 20, 2023: Ambassador Xing Haiming <u>holds</u> meetings with ROK Deputy Speaker of the National Assembly Kim Young-joo and Chung Woo-taik.

Jan. 25, 2023: Korea Internet & Security Agency reports a Chinese cyberattack against 12 South Korean academic institutions on Jan. 22.

Jan. 26, 2023: Two Chinese warplanes fly through overlapping parts of China and South Korea's air defense identification zones.

Feb. 1, 2023: Chinese authorities reimpose mandatory COVID-19 tests for travelers from South Korea.

Feb. 9, 2023: Fourth China–South Korea–Japan sports ministers' meeting is held virtually.

Feb. 10, 2023: South Korean officials announce plans to resume issuing short-term visas for travelers from China from Feb. 11.

Feb. 14, 2023: State media <u>reports</u> that Chinese Defense Minister Wei Fenghe sent a congratulatory message to North Korean counterpart Kang Sun-nam on the KPA's 75th founding anniversary.

Feb. 15, 2023: Chinese Embassy in Seoul announces plans to resume issuing short-term visas for South Koreans from Feb. 18.

Feb. 22, 2023: South Korean officials announce lifting of post-arrival Chinese test requirements for travelers from China from March 1.

Feb. 27, 2023: South Korea's Ministry of Trade, Industry and Energy announces plans to reduce reliance on China for key minerals from 80 to 50% by 2030.

March 1, 2023: Chinese Assistant Commerce Minister Le Fei and South Korean Deputy Trade Minister Jeong Dae-jin meet in Seoul.

March 3, 2023: South Korea's Ministry of Land, Infrastructure, and Transport announces an agreement with Chinese counterparts to restore the number of bilateral flights to pre-pandemic levels.

March 10, 2023: Kim <u>sends</u> a congratulatory message to Xi on gaining a third term as president.

March 10, 2023: South Korean Deputy Trade Minister Jeong Dae-jin and Shandong Secretary-General Song Junji hold an economic cooperation dialogue in Seoul.

March 12, 2023: Top North Korean officials send congratulatory messages to Chinese counterparts after China's National People's Congress.

March 13, 2023: Yoon sends congratulatory message to Xi on gaining a third term as president.

March 20, 2023: China–South Korea passenger ferry services resume after COVID–related suspension since 2020.

March 23, 2023: Samsung Electronics Chairman Lee Jae-yong arrives in Beijing to attend the China Development Forum and meet business and political leaders.

March 27, 2023: Chinese Ambassador to North Korea Wang Yajun arrives in Pyongyang to start his official duties.

March 28, 2023: Chinese Ambassador to South Korea Xing Haiming and People Power Party leader Kim Gihyeon meet in Seoul.

April 6, 2023: South Korean Ambassador to China Chung Jae-ho hosts a friendship event and meets Vice Foreign Minister Sun Weidong.

April 8, 2023: Chinese Ambassador to North Korea Wang Yajun meets WPK international department director Kim Song-nam and delivers a message from President Xi.

April 8, 2023: Xi <u>sends</u> a reply letter to Kim.

April 19, 2023: 17th China–South Korea Local Government Exchange Seminar is <u>held</u> in Changchun.

April 19, 2023: Yoon <u>comments</u> on Taiwan in an interview with *Reuters*.

April 20, 2023: China's Ministry of Foreign Affairs <u>comments</u> on Yoon's interview.

April 20, 2023: South Korea's Ministry of Foreign Affairs <u>denounces</u> China's response to Yoon's comment on Taiwan.

April 20, 2023: South Korean Foreign Ministry summons Chinese Ambassador Xing Haiming to oppose Chinese criticism of Yoon's media comments on Taiwan.

April 20, 2023: South Korean Ambassador to China Chung Jae-ho and Chinese Vice Foreign Minister Sun Weidong hold telephone <u>talks</u> on Taiwan remarks.

April 24, 2023: Chinese Embassy in South Korea <u>releases</u> a statement pertaining to the Taiwan issue.

April 24, 2022: ROK Ambassador to China Chung Jae-ho <u>addresses</u> a virtual business forum marking the 30th anniversary of diplomatic normalization.

PACIFIC F

COMPARATIVE

CONNECTIONS

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

JAPAN-CHINA RELATIONS

TALKING—BUT TALKING PAST EACH OTHER

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The 17th China-Japan Security Dialogue resumed in late February after a four-year pause but produced no resolution to outstanding problems. In early April, Chinese and Japanese foreign ministers also met for the first time since 2019, with the four-hour meeting similarly unproductive. The Chinese side expressed annoyance with Tokyo for its cooperation with the United States, its support of Taiwan, the release of Fukushima nuclear-contaminated wastewater into the ocean, and Tokyo's recent restrictions on semiconductor equipment exports. The Japanese foreign minister sought, but did not obtain, information on a Japanese national who had been arrested on spying charges, complained about Chinese intrusions into the territorial waters around the disputed Diaoyu/Senkaku Islands, and stressed the importance of stability in the Taiwan Strait. There was no mention of the long-postponed state visit of Xi Jinping to Tokyo as a matter of reciprocity for former Prime Minister Abe Shinzo's visit to Beijing.

This article is extracted from <u>Comparative Connections</u>: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: June Teufel Dreyer, "Japan-China Relations: Talking—But Talking Past Each Other" *Comparative Connections*, Vol. 25, No. 1, pp 131-146.

Politics

Kishida continued his activist foreign policy, visiting all the G7 countries en route to Washington and meeting with German Chancellor Olav Scholtz in Tokvo. He followed this up with a visit to Indian Prime Minister Narendra Modi in New Delhi, inviting Modi to participate in the G7 that Japan will host in Hiroshima in May. Kishida's principal topics were gaining support for a free and open Pacific, which for him means resisting Beijing's plans to control disputed areas in the South China and East China seas, and to encourage multilateral aid packages to counter China's economic blandishments in developing countries. In India he <u>announced</u> a fund of \$75 billion to improve infrastructure in the Indo-Pacific and pledged an additional \$100 million to the Japan-ASEAN Integration Fund, as well as measures to help countries enhance maritime law enforcement capabilities and reinforce security. Kishida followed his visit to India with a trip to Ukraine, the latter coinciding with Xi Jinping's visit to Moscow, the first visit of a prime minister to a war zone. He expressed solidarity with Ukraine, observed how the generators that Japan provided to stave off the cold winters are being utilized, and invited Zelensky to the G7 summit. It was confirmed that Zelensky will participate virtually.

Philippine President Fernando Marcos Jr. visited Tokyo a week after he agreed to allow the US military access to four more bases in the Philippines, vowing to strengthen defense ties with Japan amid China's assertive actions in the South China Sea and growing fears of a possible Chinese invasion of Taiwan. Earlier in the reporting period, Kishida declined to meet Chinese Ambassador Kong outgoing in February, since Xi had not met the departing Japanese ambassador in 2020. Xi's visit to Moscow was his sole major trip outside China, though he continued to meet a succession of foreign leaders, including the presidents of Brazil and France in Beijing.

Chinese media kept up a steady barrage of criticism of Tokyo's plans to release nuclear-contaminated wastewater into the Pacific Ocean from the damaged Fukushima Daiichi nuclear power plant in the spring or summer with *Xinhua* reporting that despite "raging" opposition both at home and abroad, Japan still intends to release the water even though the discharge plan would destroy the livelihoods of

local fishermen and negate the efforts they have made for over a decade to revive the industry. The Chinese press belittled Japan in various ways with, for example, Global Times scoffing at Japan's intention become the second country after the US to land astronauts on the moon and Tokyo's declaration that it would strengthen cooperation with the US to counter China's space endeavors; the claim to be "second in history" while relying on another country's technology is laughable and does not really count, the paper asserted. The abortive assassination attempt against Prime Minister Kishida in April also resulted in a spate of derogatory comments, with Chinese analyst Da Zhigang opining that it had burst the myth of Japan being a secure country and caused its residents to doubt that the Hiroshima Summit would be safe for the G7 meeting. Researcher Chen Yang expressed his belief that such attacks are largely due to Japan's increasingly resentful society, caused by sluggish economic growth and rising prices, which aggravate resentment among some people and lead to violent acts and extreme incidents.

Following British Prime Minister Rishi Sunak's statement that his country would stand by Japan as China leverages its state power, *Global Times* described both as "down-and-out powers": one an ex-empire on which the sun has long set, and the other a rising sun having difficulty rising again.

China's balloon flights over Japanese territory were another concern, with the Japanese government in February demanding that the Chinese government confirm facts about three balloons that have allegedly flown in Japanese airspace since November 2019 and take measures to prevent the recurrence of similar incidents. Foreign Minister Hayashi Yoshimasa reportedly told his Chinese counterpart that Japan will never tolerate intrusions into its airspace. A few days later, the Japanese government announced its intention to change the interpretation of Article 84 of the Self-Defense Forces Law, originally intended for manned foreign aircraft, to allow the shoot down of unmanned balloons. Specific conditions under which the use of weapons would be allowed are to be worked out.

In exceptionally strong language, the Japanese foreign ministry's annual foreign policy report, released in April, <u>described</u> Beijing as intensifying its attempts to unilaterally change the status quo by force or coercion in the maritime regions and airspace of the East and South China Seas and called China's approach to international relations and military trends the greatest strategic challenge ever to the international order. At a meeting of foreign, defense, and coast guard officials from the two countries, the first since May 2019, Japan urged China to immediately cease intrusions by its coast guard ships into Japanese waters around the disputed Diaoyu/Senkaku Islands, for its maritime expansion in the East China and South China seas, for continuing to send out information lacking a scientific basis about the planned release into the sea of treated water from the Fukushima No. 1 nuclear power plant, and over China's continued gas field development activities on the Chinese side of the median line between the two countries in the East China Sea. China demanded that Japan stop violating China's sovereignty and harming its maritime interests in the East China Sea and the Taiwan Strait and warned Tokyo against interfering with Taiwan issues. Regarding the water release from the Fukushima nuclear plant, it said the matter should be handled in a scientific and safe way. The two sides affirmed yet again a long-delayed plan to set up a hotline between their defense authorities.



Figure 1 Takehiro Funakoshi, Director General of the Asian and Oceanian Affairs Bureau of the Foreign Ministry, speaks at high-level dialogue on maritime issues between Japan and China on Monday in Tokyo, Japan on April 10, 2023. Photo: Jiji Press

Taiwan remained an irritant, with the Chinese foreign minister expressing his annoyance with Japan's continued support of Taiwan during their meeting in early April and Japan voicing <u>concern</u> a week later with China's air operations close to Okinawan islands during its three-day punitive exercises simulating an attack on Taiwan. According to Japan's defense ministry,

the aircraft carrier Shandong, three other warships, and a support vessel came within 230 km (143 miles) of Miyako Island. An editorial in Asahi, traditionally a China-friendly paper, termed China's aggressive moves toward Taiwan counterproductive and that they serve only to undermine China's international reputation. Beijing should have the sense to refrain from such behavior. Japan-Taiwan trade ties remained robust. In January, Taiwan Semiconductor Manufacturing Co. (TSMC)already **<u>building</u>** a facility in Japan jointly with Sony—announced that it was considering a second plant there. Japan-Taiwan cultural ties also remained strong with, for example, Japanese student recipients of a scholarship to study in Taiwan provided by the Friends of Shinzo Abe Association in Taiwan laving flowers at the statue of Abe in a Kaohsiung temple and praising his contributions to Taiwan-Japan friendship.

Economics

Chinese exports <u>declined</u> in dollar terms for five straight months starting last October as Western buyers reduced orders amid high inflation and a gloomy economic outlook, but unexpectedly <u>surged</u> by 14.8% in March, lifting first-quarter gross domestic product <u>by</u> 4.5%, though April data were disappointing. Economists warn that China's recovery will be uneven. Much of the growth was driven by electric vehicle sales and exports to Russia. The property sector is still in distress, and one in five Chinese youths remain unemployed.

Meanwhile, the Bank of Japan's quarterly "tankan" survey <u>showed</u> pessimism among the country's manufacturers. The turbulence in global markets in March <u>hit</u> banks in Japan harder than those in China: Japan's three leading lenders lost more than \$20 billion in market value in one week, while China's big four state-owned banks gained more than \$30 billion in Hong Kong and Shanghai trading. Still, Berkshire Hathaway head Warren Buffett <u>praised</u> Japanese trading houses, noting that his company has a greater dollar investment in Japanese securities than in any other country in the world except the United States.

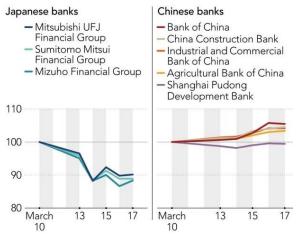


Figure 2 Share Price Moves after the SVB collapse (March 10 closing indexed to 100) published on March 20, 2023. Photo: Nikkei Asia Research

Contrasting the failure of Mitsubishi Heavy Industry's commercial aircraft building program with the achievements of China's state-owned COMAC, both begun in 2008, two aviation executives attributed the latter's success to state ownership and a significant domestic market. Another major failure for Japan was that of its second <u>attempt</u> to launch the H-3 rocket in March 7, as had its first attempt on Feb. 17. Coming after a two-year delay from the initial schedule, these amounted to a setback for the country's space policy. The H-3 had been billed as a future pillar of Japan's space business that would help to cement the nation's footing in the international competition for space exploration.

Japan continued with supply chain decoupling, both reshoring and friend-shoring, with the aim of establishing secure supply chains for its manufacturing. Chinese media were particularly concerned with restrictions on computer-chip exports, warning that both countries would be hurt. Japanese companies also made efforts to reduce their dependence on the PRC for supplies of key clean-energy materials. Japanese robot maker Yaskawa Electric is building a new factory in Fukuoka, in southwestern Japan to bring back from China production of inverters, a key component in appliances. The new plant is scheduled to come online in 2027. Japanese air conditioner maker Daikin Industries is also working to ensure that it can maintain production without components from China. The Osaka-based company expects to complete the revamp of its supply chain by March 2024. At least one decoupling may be connected to the PRC government's crackdown on the country's financial sector: Japanese tech investment titan SoftBank <u>decided</u> to sell nearly all its stake in Alibaba to limit exposure to China. SoftBank was an early investor in the Chinese internet giant founded by Jack Ma.

Japan's vulnerability to China's near monopoly on rare earths continued despite efforts at remediation. In February, Sumitomo announced that it would <u>source</u> rare earth elements for EVs without involving China. Under a new arrangement, Las Vegas-based MP Materials will handle not only mining, which it has been doing, but also smelting and separating elements. Those elements will be further refined by companies in Vietnam and the Philippines, before being shipped to Japanese magnet makers for use in final products. Seeking to establish a secure supply chain for lithium against Chinese companies, which hold the top global share in manufacturing batteries and have been investing heavily in mining projects around the world, Sumitomo Metal Mining began talks with resources producers for joint production in such countries as Argentina and Chile, leveraging its new technology to obtain concessions. In March Tokyo moved a step forward to <u>establish</u> a supply chain that bypasses China, with Japanese trading house Sojitz and the Japan Organization for Metals and Energy Security (JOGMEC) announcing they would invest \$134.7 million in Australia's Lynas Rare Earths, which is expected to supply about 30% of domestic Japanese demand for heavy rare earths. However, despite these efforts Japan remained heavily reliant on China for rare earths, and became concerned at reports that China was considering halting exports of rare earth magnets. The report period <u>closed</u> with the announcement of a further effort at decoupling the scarce metals supply from China: a ¥158.7 billion (\$1.2 billion) subsidy from METI to Honda and GS Yuasa Corporation to begin supplying lithium-ion batteries from April 2027.

Few major China-Japan business deals were announced during the reporting period, though China's lower costs continued to be an advantage for some companies. In April the Sony group <u>set</u> up a studio in Shanghai that will specialize in a new video production method called virtual production that allows the creation of realistic looking videos entirely indoors, eliminating the need to shoot on location, reducing travel time and lowering costs by an estimated average of 30%. Japan Display Inc., formed a decade ago by a government-brokered merger among the LCD businesses of Hitachi, Toshiba, and Sony <u>announced</u> a tie-up with China's HKC Corp. to cooperate on nextgeneration technology for displays. Japan Display, an Apple supplier, has suffered eight straight years of losses and had been selling assets. Both 7-Eleven and Uniqlo are <u>planning</u> to expand operations in China as well as in other Asian and regional markets.

There were several reports of Japanese firms leaving China though this hardly amounts to a major exodus. As part of growing efforts by manufacturers to protect supply chains by reducing their dependence on China, Sony revealed that as of the end of 2022 it had transferred production of cameras sold in the Japanese, US, and European markets to Thailand. Its site in China will continue to produce cameras made for sale in the PRC. Also Canon closed part of its camera production in China, shifting it back to Japan. Daikin Industries plans to establish a supply chain to make air conditioners without having to rely on Chinese-made parts within fiscal 2023. In contrast, the head of Astellas, Japan's second largest pharmaceutical firm, stated that, despite the arrest of the company's Asia division head, Astellas was not "currently" considering an exit. China accounts for less than 5% of the company's annual revenue, but the country is important to Astellas for securing raw materials for its drugs.

Defense

Japanese sources debated how to operationalize the three important strategic documents—the National Security Strategy (NSS), the National Defense Strategy (NDS) and the Defense Buildup Program -- that were enacted in December. The Nippon Ishin (Japan Innovation Party) and the Democratic Party for the People (DPFP) expressed basic support for strengthening Japan's defense capabilities, with the DPFP's Maehara Seiji saying that the argument that having the ability to fight back is a violation of the Constitution is a fallacy and that Japan needs to rely on itself rather than the US. Ishin's Kee Miki advocated "two or three steps further" in strengthening defense capabilities and the inclusion of the Self-Defense Forces in Article 9 of the constitution. By contrast. the Constitutional Democratic Party of Japan (CDP) continues to oppose Japan's possession of counterattack capabilities.



Figure 3 Japan plans to deploy updated Type 12 surface-to-ship cruise missiles in 2026. Photo: Japan Ground Self-Defense Force

Japan has been shoring up defenses of its southwestern islands and now has the world's third-largest defense budget although, given constitutional constraints on the use of the SDF, questions remain on how and under what circumstances it could be deployed. Legal changes will be needed. The implementation of "active cyber defense" will, for example, require revision of the Telecommunications Business Act as will a law prohibiting unauthorized computer access and efforts to bolster Japan's security-clearance systems to enable Tokyo to collaborate with like-minded foreign countries in research on and the development of advanced technologies. The government will also begin implementing military operational changes: 14 ground divisions and brigades based outside Okinawa will be reorganized into mobile units that can be deployed to vulnerable areas such as the Nansei Islands, northeast of Taiwan. The number of ammunition-storage bases facilities that were based in Hokkaido due to the nolonger extant threat from the USSR is being reduced.

In April, in the longest intrusion since Japan nationalized the East China Sea islands in 2012, four Chinese Coast Guard vessels <u>stayed</u> in the area around the disputed Diaoyu/Senkaku Islands for more than 80 hours, breaking the previous record of over 72 hours set in December 2022. Other intrusions continued, most of them from coast guard vessels but at least one <u>involving</u> a survey ship.



Figure 4 Chinese survey ship that entered Japanese territorial waters around Yakushima Island. Photo: Defense Ministry's Joint Staff via The Japan Times

There are ongoing discussions with Washington on how to integrate Japan's new security plans into joint US-Japan operations that include Japanese plans to buy 400 Tomahawk missiles. The US Marine Corps is to form a littoral regiment (MLR) to hold positions on Japan's frontline islands within China's sphere of influence and engage the enemy. The regiment will be organized into small teams deployed to each remote island, aiming to sustain sea control by deterring the advances of the enemy's warships and military aircraft while fending off attacks. Since it is believed that in the initial stage of attack China is highly likely to have the upper hand in sea and air, the mission of the frontline units is to contain attacks until reinforcements arrive. Chinese media described the US-Japanese coordination agreement as undermining peace and stability, quoting Chinese experts' opinion that the result will be a more dangerous position for Japan, and will not be welcomed by regional countries. If Japan continues, together with the US and the Taiwan secessionists, to provoke China, the PLA is sure to take countermeasures, including holding more exercises and patrols in the international waters and airspace around Japan, thereby enhancing PLA's combat capabilities in the far sea.

As the report period closed, G7 foreign ministers hosted by Tokyo <u>called</u> on China to abstain from threats, coercion, intimidation, or the use of force and expressed serious concern about the situation in the East and South China Seas and its strong opposition to any unilateral attempts to change the status quo by force or coercion.

The Future

There are no indications that chilly China–Japan relations will improve. A hoped–for thaw that would have enabled the two sides to celebrate the 50th anniversary of the normalization of diplomatic ties last year did not materialize and there are no similar landmark occasions

imminent. Increased Chinese belligerence toward Taiwan made the probability of an attack seem more likely as well as the likelihood that the attack would adversely affect Japan. The Chinese official defense budget for 2023 will <u>rise</u> by 7.2%, above the projected GDP growth rate of 5% while Japan has <u>pledged</u> to raise its defense spending from the current 1% of GDP to 2% over the next five years. Cultural exchanges and pledges to work together on climate change are unlikely to ameliorate the current impasse.

CHRONOLOGY OF JAPAN-CHINA RELATIONS

JANUARY—APRIL 2023

Jan. 1, 2023: Japanese government <u>reports</u> that it successfully intercepted a Chinese Guizhou WZ-7 "Soaring Dragon" drone in the Miyako Strait, marking the first time that Japanese authorities have acknowledged intercepting this specific type of drone.

Jan. 3, 2023: According to Japan's Defense Ministry, the Chinese aircraft carrier *Liaoning* <u>returned</u> to the East China Sea by sailing north between the main island of Okinawa Prefecture and Miyako Island after conducting drills in Pacific waters south of the prefecture last month. Fighter jets and helicopters based on the *Liaoning* took off from and landed a total of about 320 times around the islands of Okidaitojima and Kitadaitojima in Okinawa Prefecture between Dec. 17 and Saturday. This was the first operation by the *Liaoning* since May 2022, when more than 300 takeoffs and landings took place.

Jan. 5, 2023: In a further affirmation of deepening Japan-Taiwan ties, Fukuoka Financial Group Inc. (FFG) joins CTBC Financial Holding Co. (CTBC Holding) to smooth the way for companies from Taiwan to do business in southern Japan.

Jan. 6, 2023: Japanese student recipients of a scholarship to study in Taiwan provided by the Friends of Shinzo Abe Association in Taiwan <u>lay</u> flowers at the statue of Abe in a Kaohsiung temple and praised his contributions to Taiwan–Japanese friendship.

Jan. 6, 2023: Head of Japan's Ministry of Economy, Trade, and Industry (METI) Yasutoshi Nishimura <u>urges</u> Group of Seven (G7) advanced economies to take a coordinated approach at preventing the economic coercion that China has applied to some of its trading partners.

Jan. 7, 2023: Center-right Yomiuri, Japan's largest circulation daily, <u>editorializes</u> in favor of a more robust official development assistance program.

Jan. 7, 2023: Japanese defense officials are weighing a plan to build dozens of ammunition and weapons depots on far-flung southwestern islands in preparation for a potential Taiwan crisis.

Jan. 9, 2023: In an effort to <u>display</u> solidarity among partners when China is stepping up maritime activities, the Ground Self-Defense Force's First Airborne Brigade conducts the year's first parachute drop training with units from the British and Australian armies for the first time.

Jan. 10, 2023: US Marine Corps announces plans to <u>form</u> a littoral regiment (MLR) to hold positions on Japan's frontline islands within China's sphere of influence and engage the enemy.

Jan. 10, 2023: Japan's Ministry of Defense announces it is <u>considering</u> establishing a new cyber department at the National Defense Academy in fiscal 2027. Prior to its establishment, the GSDF will refashion its Signal School into the GSDF System Communications and Cyber School in April and increase the number of officers receiving cyberdefense training by 30% from the current 100 officers.

Jan. 10, 2023: *Global Times* <u>scoffs</u> at Japan's intention to become the second country after the US to land astronauts on the moon and saying it would strengthen cooperation with the US to counter China's space endeavors; the claim to be "second in history" while relying on another country's technology is laughable and does not really count.

Jan. 10–12, 2023: Kishida <u>visits</u> G7 countries France, Italy, and the UK before his trip to Washington. **Jan. 12, 2023**: At 2-plus-2 defense talks of the US and Japanese foreign and defense chiefs, the alliance <u>enters</u> a new phase of stepped up work on interoperability and the division of roles between the SDF and US forces to provide enhanced deterrence against China.

Jan. 12, 2023: 2+2 ministers of the US and Japan <u>issue</u> a joint statement saying that Article 5 of their security treaty, which obligates the US to defend Japan if it comes under attack, could be applied to space to protect Japanese satellites as China and Russia ramp up military activity in the arena

Jan. 12, 2023: Taiwan Semiconductor Manufacturing Co. (TSMC), already <u>building</u> a facility in Japan with Sony, says it is considering a second plant there.

Jan. 12, 2023: UK Prime Minister Rishi Sunak says his country "will stand by Japan as China leverages its state power."

Jan. 12, 2023: Reacting to the UK–Japan defense agreement, *Global Times* <u>describes</u> both as "down–and–out powers."

Jan. 12, 2023: Chinese media <u>describe</u> the US-Japan 2+2 agreement as undermining peace and stability, quoting Chinese experts' opinion that the result will be a more dangerous position for Japan, and will not be welcomed by regional countries.

Jan. 13, 2023: Defense Minister Hamada Yasukazu and Defense Secretary Lloyd Austin agree to simplify procedures for joint research and development of defense equipment by making only a single memorandum necessary for a project, as opposed to current practice that requires multiple memoranda for each item of research or trial, often taking several months apiece to prepare.

Jan. 14, 2023: *Global Times* <u>describes</u> Kishida's visit to Washington as bringing three "gifts": 1. actively seeking to deepen the Japan–US alliance to show loyalty to the US Indo–Pacific strategy; 2. reporting military developments and "anti–China achievements" to the US in exchange for Washington's support for Japan's attempt to break through its exclusive self–defense policy; and 3. continuing to exaggerate the "China threat theory" to cover up its own military expansion and preparations for war.

Jan. 15, 2023: *China Daily* <u>takes</u> issue with the joint US-Japanese declaration of the 13th calling the PRC a country posing challenges with "actions inconsistent with the rules-based international order" and strongly suggests that the US has given the nod to Japan's expansion of its military capability.

Jan. 15, 2023: *Global Times* <u>accuses</u> Japan of increasingly justifying its militarization under the pretext of so-called external threats. It says Tokyo should be wary of becoming a victim of the US or the Ukraine of East Asia.

Jan. 17, 2023: Interviewed by *Nikkei*, retired Gen. Isobe Koichi <u>terms</u> Xi Jinping's recent policies incoherent and advises that appeasement will not work.

Jan. 17, 2023: Japanese government has <u>reportedly</u> approved a cruise missile with three interchangeable warheads for reconnaissance and radar jamming in addition to conventional use.

Jan. 17, 2023: Responding to the US-Japan statement that the Indo-Pacific region faces growing challenges, including from actions inconsistent with the rules-based international order by China, Chinese foreign ministry spokesperson Wang Wenbin <u>describes</u> it as an "ugly playbook jointly … to tarnish China's image, interfere in China's internal affairs and suppress China's development [that] is packed with danger and hypocrisy" adding that "we firmly reject it and have conveyed strong demarches."

Jan. 19, 2023: State secrets in a report <u>leaked</u> by a former MSDF captain to his vice admiral former boss contain information on military satellite images that capture the movements of Chinese naval vessels and include intelligence provided by the US military.

Jan. 19, 2023: Chinese media <u>criticize</u> Japan and South Korea for tightening entry policies against China for purely political purposes as part of a negative publicity campaign against China.

Jan. 28, 2023: *Bloomberg* <u>reports</u> that the US has secured an agreement with the Netherlands and Japan to restrict exports of some advanced chipmaking machinery to China.

Jan. 28, 2023: *Global Times* responds to the report of the restrictions by saying that efforts to contain China will not work since the country's semiconductor firms are making all-out efforts at technologies for self-reliance. Earlier, the paper had accused the US of having "brutally beaten down" Japan's semiconductor industry a century ago and warning that Japan's current interests do not match those of the United States since the US has upstream suppliers in Europe that leave little room for Japan.

Jan. 29, 2023: As part of growing efforts by manufacturers to <u>protect</u> supply chains by reducing their Chinese dependence, Sony reveals that as of the end of last year it had transferred production of cameras sold in the Japanese, US, and European markets to Thailand.

Jan. 29, 2023: Chinese embassy in Tokyo <u>announces</u> that the government will immediately resume issuing visas to Japanese nationals traveling to China, which had been suspended since Jan. 10.

Jan. 30, 2023: Chinese media <u>report</u> that its coast guard expelled Japanese ships that illegally entered China's territorial waters around the Diaoyu/Senkaku Islands, citing unnamed experts' opinion that expulsion was the right action to safeguard China's sovereignty and territorial integrity and it displayed coast guard capabilities.

Jan. 30, 2023: Yomiuri reports that the Shinsei Maru with the Ishigaki mayor and Tokai University researchers commissioned by the city aboard is <u>taking</u> an environmental survey, the second this year, to assess the impact of garbage drifting to Uotsuri and other Senkaku/Diaoyu islands, as well as the damage to vegetation caused by goats. A Chinese Coast Guard vessel made a move to approach the boat, but was deterred by a vessel of the Japan Coast Guard that called for the Chinese vessel to leave. Tokyo protests through diplomatic channels.

Feb. 1, 2023: Speaking to students at Tokyo's Keio University, NATO Secretary–General Jens Stoltenberg <u>calls</u> for stronger cooperation and more "friends" for NATO in the Indo–Pacific region, adding that Russia and China "coming closer and the significant investments by China and new advanced military capabilities just

underlines that China poses a threat, poses a challenge also to NATO allies." Stoltenberg and Kishida <u>agree to step up their partnership</u> in security in cyberspace, space, defense and other areas.

Feb. 1, 2023: A *Global Times* editorial <u>describes</u> Stoltenberg's speech as deserving high vigilance of the entire Asia-Pacific region and full of ominous omens.

Feb. 2, 2023: Meeting in Tokyo with Kishida, NATO Secretary-General Stoltenberg, <u>referring</u> to China by name, says that it is "bullying its neighbors, and threatening Taiwan," and emphasizes the need for NATO and Japan to work together to address the challenge posed by China.

Feb. 3, 2023: Newly appointed Chinese Foreign Minister Qin Gang, <u>speaking</u> with counterpart Hayashi Yoshimasa for the first time, is quoted as hoping Japan will be "cautious in its words and deeds regarding major issues such as bilateral history and Taiwan, and stop provocations by right-wing forces on the issue of Diaoyu" [Senkaku], while *Nikkei* <u>cites</u> Hayashi as airing "serious concern" over intensifying Chinese military activities near Japan, including those with Russia during their 50-minute phone talk.

Feb. 7, 2023: *China Daily* <u>editorializes</u> that, by allowing US weapons to be sited on Japanese islands close to China's Taiwan, Japan is foolishly tying itself to a time bomb.

Feb. 9, 2023: Philippine President Marcos, visiting Tokyo, <u>agrees</u> to strengthen defense ties with Japan amid China's assertive actions in the South China Sea and growing fears over a possible Chinese invasion of Taiwan.

Feb. 12, 2023: Japanese government <u>conveys</u> concern to China over its *Shupang*-class survey ship entry into Japanese territorial waters around Yakushima Island, Kagoshima Prefecture. This is the first time a *Shupang*-class survey ship intruded into territorial waters in 2023, but it did so in November 2021 and five times in 2022.

Feb. 13, 2023: Australia's *Lowy Institute*'s 2023 Asia Power Index <u>assesses</u> that Japan's strengthening defense capabilities will not be enough to compensate for waning overall influence in Asia, opining that Japan's contribution to a collective balancing strategy in response to China's rise may be less than Washington hopes.

Feb. 15, 2023: As part of its envisaged counterattack capability, Japan will <u>start</u> building about 10 large ammunition depots for storing standoff weapons at SDF facilities, including in the Nansei Islands near Taiwan.

Feb. 15, 2023: Japanese government <u>demands</u> through diplomatic channels that the Chinese government confirm facts about three balloons that allegedly flew in Japanese airspace since November 2019 and take measures to prevent the recurrence of similar incidents.

Feb. 16, 2023: Japanese government will change the <u>interpretation</u> of Article 84 of the SDF Law which was intended for manned foreign aircraft to allow shooting down unmanned balloons. Specific conditions under which the use of weapons will be allowed are being worked out.

Feb. 16, 2023: A Chinese–affiliated company, i.e., not the Chinese government, <u>buys</u> about half the uninhabited isle of Yanahajima, located north of Okinawa Prefecture's main island.

Feb. 17, 2023: <u>Consensus</u> is achieved between the LDP and coalition partner Komeito that permits the SDF to use weapons to protect citizens and property on the ground and ensure the safety of civilian aircraft, taking into account that human life would not be endangered if unmanned aircraft were to be shot down.

Feb. 17, 2023: Senior LDP defense policymaker and former Defense Minister Onadera Itsunori says that the flight of suspected Chinese surveillance balloons has shown that Japan and Taiwan need to <u>share</u> "critical" intelligence about aerial threats, adding that he visited Taiwan in January and been briefed about threats posed to the island by China. **Feb. 18, 2023**: *Asahi* <u>editorializes</u> against the defense ministry's decision to ease the requirements for the SDF to destroy trespassing foreign unmanned airborne vehicles including balloons and airships, which could heighten tensions in the region.

Feb. 19, 2023: Liz Truss, in Tokyo on her first overseas trip since stepping down as UK prime minister, <u>says</u> that the G7 and like-minded nations should cooperate to build a supply chain for resources such as rare-earths and other important minerals, export controls for cuttingedge technologies such as semiconductors, and infrastructure investment in developing countries "providing investment that doesn't have strings attached, that doesn't lead to a debt trap." She adds that the G7 and Taiwan should work together economically to deter China.

Feb. 19, 2023: Foreign Minister Hayashi, speaking to Chinese counterpart Wang Yi on the sidelines of the Munich Security Conference, <u>warns</u> that entering a foreign country's airspace without permission constitutes an airspace violation and urges China to prevent any recurrence the such incidents.

Feb. 19, 2023: GSDF <u>holds</u> a press viewing of *Iron Fist*, a joint Japan–U.S. training exercise, at the Hijudai maneuvering ground in Oita Prefecture on Saturday.

Feb. 19, 2023: Sumitomo Corporation <u>announces</u> that it will <u>source</u> rare earth elements for EVs without involving China.

Feb. 23, 2023: After a four-year gap, China and Japan <u>resume</u> diplomatic and security talks with the successive holding of the 29th regular consultation between China and Japan diplomatic authorities, the 17th China–Japan security dialogue, and the 16th China–Japan economic partnership consultation.

Feb. 23, 2023: Expressing <u>concern</u> about Tokyo's moves to control semiconductor exports, China's Ministry of Commerce says China hopes that Japan can abide by international rules, provide enterprises with a "fair, non-discriminatory and predictable" business environment and safeguard bilateral economic and trade cooperation.

Feb. 24, 2023: Preparing to <u>enter</u> the Japanese market so that Japan can bypass China in its rare-earth supply chain, Las Vegas-headquartered MP Materials produces a record volume of ores and is set to further increase production in the US.

Feb. 24, 2023: *Jiji* reports that on Feb. 8 the Changsha Intermediate People's Court <u>sentenced</u> an unnamed Japanese man in his 50s to 12 years in prison for spying. The man had been held since July 2019 on unspecified charges. China is known to have detained 16 Japanese nationals on spying or other related charges since 2015.

Feb. 24, 2023: A tabletop wargame conducted by Japan's Sasakawa Peace Foundation on a Taiwan contingency <u>shows</u> Japan losing as many as 144 fighter jets, with SDF casualties reaching up to 2,500. The US could lose up to 400 jets with over 10,000 soldiers killed or wounded—but China would fail to seize control of the island.

Feb. 24, 2023: Tokyo chip manufacturers, <u>waiting</u> for clear guidance on export controls for advanced chip technologies, report greatly increased orders as Chinese semiconductor companies seek to stockpile ahead of the implementation of the Japan-Netherlands-US agreement on tightening exports.

Feb. 25, 2023: A *Yomiuri* editorial <u>hopes</u> the Japanese government will consider measures, including a review of legal provisions, to enable it to investigate the actual situation on smaller islands, one of which, uninhabited Yanaha, was 51% quietly acquired by a Chinese-affiliated company two years ago.

Feb. 27, 2023: Japan Defense Ministry <u>reports</u> that Chinese drones caused the ASDF to <u>scramble</u> jets 12 times since August 2021 whereas in the eight years before, from September 2013, the ASDF had only three such scrambles.

March 1, 2023: In a stunning graphic, *Renmin Ribao* <u>criticizes</u> Tokyo Electric Power's decision to release up to 500 tons of nuclear-contaminated water per day since it may contain large amounts of radioactive carbon-14 and other radioactive isotopes, adding that it takes tens or hundreds of thousands of years for some atomic isotopes to decay.

March 2, 2023: *Global Times* belatedly reports that after a three-year hiatus, the 13th China-Japan Friendship Adult Ceremony was <u>held</u> at the Embassy of Japan in China on Feb. 25 with Ambassador Tarumi Hideo expressing hope that people will "pay attention to and concern about each other's culture, society and history in the future and through a variety of communication to enhance mutual understanding, and write a new chapter in the development of Japan and Chinese relations."

March 3, 2023: Prompted by the <u>revelation</u> that an MSDF captain improperly briefed a retired vice admiral on several occasions in violation of the December 2014 Protection of Specially Designated Secrets Law, a Ministry of Defense committee will by March 31 compile a report outlining steps to prevent future leaks.

March 6, 2023: A national political advisor from the Hong Kong Special Administrative Region (HKSAR) <u>says</u> that to deepen understanding of the Party and its history among the Hong Kong public, a permanent memorial hall of the history of War of Resistance against Japanese Aggression (1931-45) and an exhibition hall of the CCP should be established as soon as possible

March 8, 2023: Japan's second attempt to launch the H–3 rocket on March 7 <u>fails</u>, as had its first attempt on Feb. 17. Coming after a two-year delay from the initial schedule, these could be a setback for the country's entire space policy.

March 8, 2023: Chinese government <u>announces</u> a 7.2% rise, to \$225 billion, in the country's defense budget for 2023, though foreign analysts estimate that actual military spending may be 1.1 to 2 times higher than stated in the official budget. The official figure exceeds the projected growth rate of 5%.

March 9, 2023: To <u>establish</u> a supply chain that bypasses China, Japanese trading house Sojitz and the Japan Organization for Metals and Energy Security will invest \$134.7 million in Australia's Lynas Rare Earths that will supply about 30% of domestic Japanese demand for the heavy rare earths. **March 12, 2023**: *Xinhua* <u>reports</u> that despite "raging" opposition both at home and abroad, Japan still intends to push ahead with its plan to dump nuclear-contaminated wastewater into the Pacific Ocean from the damaged Fukushima Daiichi nuclear power plant in this spring or summer. Japan's wastewater discharge plan will destroy the livelihoods of local fishermen and efforts they have made for over a decade to revive the industry.

March 14, 2023: Reviewing China's National People's Congress, *Yomiuri* <u>editorializes</u> that Xi's intolerance of any dissent bodes ill for world peace and urges Japan and the United States to enhance their ability to respond to any contingency so that Xi will be discouraged from attempting to change the status quo by force.

March 15, 2023: China's Coast Guard <u>enters</u> waters around disputed East China Sea islets on Wednesday to counter what it called the incursion of Japanese vessels into Chinese territorial waters.

March 17, 2023: GSDF <u>opens</u> a garrison on Ishigaki Island adding to those built since 2016 on Yonaguni, Miyakojima, and Amami-Oshima, with the defense ministry commenting that this closes the vacuum in the area in response to China's aggressive maritime expansion.

March 17, 2023: Taiwan's High Speed Rail Corporation <u>confirms</u> that it will buy 12 new shinkansen bullet trains from a Hitachi–Toshiba consortium; THSR was the first overseas company to adopt the shinkansen.

March describes 18, 2023: Nikkei German Chancellor Olaf Scholz's visit to Tokyo seeking cooperation with Japan to ลร reduce German dependence on Chinese raw materials. Although Japan is Germany's second largest trading partner in Asia, volumes in 2022 were less than a fifth of those with China. The Associated Press reports that the two countries' defense ministers met separately to confirm the German armed forces' continued engagement in the Indo-Pacific region and stronger military cooperation between the two countries.

March 19, 2023: Two Chinese *Haijing*-class coast guard vessels <u>sail</u> close to a Japanese fishing boat in Japanese-administered territorial waters of the Diaoyu/Senkaku Islands on March 17.

March 19, 2023: Observing Kishida's activist diplomacy with South Korea, Germany, and India, *Global Times* <u>accuses</u> Tokyo of using external forces as "sub-ruler of Washington's headquarters" to target China while pursuing its own sinister agenda of military expansion.

March 20, 2023: Against a backdrop of <u>concerns</u> about growing Chinese influence across the Indo-Pacific that includes major infrastructure investment under the Belt and Road Initiative, fueling development but also raising concerns about unsustainable debt in Global South nations, Kishida backs Indian PM Narendra Modi's appeals to support less developed countries, announcing over \$75 billion worth of infrastructure and security assistance for the Indo-Pacific; he also invites Modi to attend the G7 summit in Hiroshima in May.

March 25, 2023: *Kyodo* <u>discloses</u> that Kishida declined to meet with former Ambassador to Japan Kong Xuanyou before Kong's departure in February. According to an unnamed government source, a reciprocal approach was considered "necessary," since Xi Jinping did not meet former Ambassador to China Yokoi Yutaka when he departed Beijing in 2020.

March 25, 2023: Chinese exports <u>decline</u> in dollar terms for five straight months since last October as Western buyers reduce orders amid high inflation and a gloomy economic outlook.

March 26, 2023: Chinese security authorities recently <u>detain</u> a Japanese national in his 50s, an executive of Japanese company Astella's local subsidiary, on unspecified charges.

March 29, 2023: Meeting a delegation from Taiwanese communities in Kyoto, Osaka, Kobe, Shikoku, and Hiroshima, President Tsai Ingwen <u>thanks</u> Taiwanese in Japan for help in deepening ties between the two countries.

March 30, 2023: Masahiro Ichijo, retiring head of the coast guard headquarters with responsibility for Okinawa and the Diaoyu/Senkaku Islands, <u>says</u> in an interview with *Asahi* that it is important to keep the score even with Chinese Coast Guard vessels in terms of security activities.

April 1, 2023: Joining with the US and the Netherlands to prevent advanced semiconductor technologies from being used for military

purposes due to China's growing military pressure against Taiwan, Japan's trade ministry <u>solicits</u> public comments on hopes to restrict exports of 23 items such as equipment to remove impurities generated during the semiconductor manufacturing process and machines to produce semiconductor films.

April 2, 2023: New GSDF camp on Ishigaki formally opens, marking the completion of a plan to fill a hole in the GSDF's coverage of the Nansei islands; troops having already been deployed to Yonaguni, Miyako, and Amami Oshima islands.

April 2, 2023: Foreign Minister Hayashi <u>visits</u> Beijing. According to *Global Times*, Foreign Minister Qin Gang called on Japan not to join the US in chip restrictions; having suppressed Japan's semiconductor industry, it is now using the same tactics against China.

April 3, 2023: Chinese papers <u>report</u> that senior diplomat Wang Yi told Hayashi that the fundamental reason for strained relations is that "some forces in Japan are deliberately following the US wrong China policy, trying to provoke and smear China's core interests." Japanese papers report that Hayashi lodged a stern protest over China's recent detention of a Japanese national and expressed Tokyo's serious concern over the repeated entry of Chinese vessels into waters near the Japanese-controlled Senkaku Islands while underscoring the importance of peace and stability across the Taiwan Strait amid increasing Chinese military pressure in the region.

April 3, 2023: Consonant with its new Official Security Assistance program, Japan will <u>help</u> Bangladesh, Fiji, Malaysia, and the Philippines to improve their deterrence capabilities through the provision of defense equipment and other means to counter China and Russia and help stabilize the Indo-Pacific region.

April 3, 2023: A former GSDF chief of staff <u>laments</u> the absence of a clear plan to evacuate the 25,000 Japanese nationals currently in Taiwan in the event of a Chinese attack on the island.

April 4, 2023: In the longest intrusion since Japan nationalized the East China Sea islands in 2012 four Chinese Coast Guard vessels <u>stay</u> in the area around the disputed Diaoyu/Senkaku Islands for more than 80 hours, breaking the previous record of over 72 hours set in December 2022.

April 4, 2023: *Yomiuri* <u>terms</u> the four-hour meeting between Chinese and Japanese foreign ministers "extremely disappointing …because the Chinese side did not give any indication that it wished to resolve pending issues."

April 6, 2023: Yomiuri <u>criticizes</u> the government for the failure of its measures to prevent the outflow of manufacturing technology related to high-performance, rare-earth magnets.

April 6, 2023: Visiting with NATO Secretary General Jens Stoltenberg in Brussels, Foreign Minister Hayashi <u>states</u> that what concerns observers the most would be an effort by China to unify with Taiwan by force.

April 7, 2023: Diet deliberations <u>begin</u> on legislation to establish a new fund that would help pay for a massive defense buildup over the next five years: 43 trillion yen (\$326 billion) of which new revenue sources must be found to cover about 14.6 trillion yen.

April 7, 2023: <u>Recognizing</u> that the new OSA program is another policy response to China's rapid military buildup and aggressive maritime expansion that at present does not include supplying lethal weapons to four countries, *Asahi* cautions that it could undermine stability in the region unless combined with diplomatic efforts to expand dialogue with Beijing and build a regional order that is helpful for coexistence and co-prosperity.

April 7, 2023: Noting that China continues to engage in hegemonic activities in the South China Sea and is turning the area into a military stronghold and threatening Japan's sovereignty over the Senkaku Islands, *Yomiuri* states that cooperation with more countries is essential in dealing with China but says it is important to avoid a situation in which Japan's provision of defense equipment foments conflict.

April 8, 2023: In his first public comments since an employee was arrested in late March on espionage charges, Astellas chief executive Naoki Okamura <u>says</u> the pharmaceutical company plans further steps to diversify its supply chain in China but in view of the country's huge market is not "currently" considering an exit.

April 8, 2023: A *China Daily* columnist <u>applauds</u> Foreign Minister Hayashi's visit to Beijing and agreement to work together on such matters as holding dialogue regularly, deepening mutual understanding and trust, and defusing tensions. However, "Tokyo should squarely face its militaristic past, reflect on its historical mistakes and apologize to the victims of Japanese aggression before and during World War II."

April 10, 2023: Japan expresses <u>concern</u> with China's air operations close to Okinawan islands during its three-day punitive exercises simulating an attack on Taiwan a week earlier.

April 11, 2023: An *Asahi* editorial <u>terms</u> China's aggressive moves toward Taiwan counterproductive and serve only to undermine its international reputation.

April 11, 2023: Seeking to establish a secure supply chain for lithium against Chinese companies, which hold the top global share in manufacturing batteries and have been investing heavily in mining projects around the world, Sumitomo Metal Mining <u>starts</u> talks with resources producers for joint production in such countries as Argentina and Chile, leveraging the new technology to obtain concessions.

April 11, 2023: Japanese foreign ministry's annual diplomatic bluebook <u>describes</u> Beijing as intensifying its attempts to unilaterally change the status quo by force or coercion in the maritime regions and airspace of the East and South China Seas and calls China's approach to international relations and military trends the greatest strategic challenge ever to the international order.

April 11, 2023: At a meeting of foreign, defense, and coast guard officials from the two countries, the first since May 2019, Japan <u>urges</u> China to immediately cease intrusions by its coast guard ships into Japanese waters around the disputed Diaoyu/Senkaku Islands, its maritime expansion in the East China and South China seas, its repeated dissemination of information lacking a scientific basis about the planned release into the sea of treated water from the Fukushima No. 1 nuclear power plant, and its continued gas field development activities on the Chinese side of the median line between the two countries in the East China Sea. China demands that Japan stop violating China's sovereignty and harming its maritime interests in the East China Sea and the Taiwan Strait and warns Tokyo against interfering with Taiwan issues. With regard to the water release from the Fukushima nuclear plant, the Chinese side says the matter should be handled in a scientific and safe way. The two sides affirm yet again a long-delayed plan to set up a hotline between their defense authorities.

April 11, 2023: Japan Display Inc., formed a decade ago by a government-brokered merger among the LCD businesses of Hitachi, Toshiba, and Sony <u>announces</u> a tie-up with China's HKC Corp. to cooperate on next-generation technology for displays.

April 12, 2023: As part of plans to develop counterstrike capabilities against Chinese expansionism, the Japanese government <u>awards</u> a contract to Mitsubishi Heavy Industries for submarine-launched standoff missiles.

April 13, 2023: Hideji Suzuki, one of 17 Japanese nationals detained in China since 2015 and imprisoned for six years, <u>says</u> Japan failed him. He applauds Japan's somewhat stronger reaction to the current detainee but predicts that the outcome won't change much.

April 13, 2023: <u>Contrasting</u> the failure of Mitsubishi Heavy Industry's commercial aircraft building program with the achievements of China's state-owned COMAC, both begun in 2008, two aviation executives one American and one Japanese---attribute COMAC's success to state ownership and a significant domestic market.

April 14, 2023: Japanese tech investment titan SoftBank <u>decides</u> to sell nearly all of its stake in Alibaba to limit exposure to China. SoftBank was an early investor in the Chinese internet giant founded by Jack Ma but began to offload its shares last year in response to the PRC's regulatory crackdown on the financial sector.

April 14, 2023: Although not <u>reaching</u> the UN goal of contributing 0.7 % of gross national income to Official Development Assistance, Japan is third in the world in the value of its contributions, after the US and Germany.

April 15, 2023: Recognizing that cognitive warfare has become the sixth domain of operations in addition to land, sea, air, outer space and cyberspace, Japan's Cabinet Secretariat will <u>develop</u> a system to deal with information warfare designed by unnamed countries to formulate favorable international public opinion toward their country or to confuse their opponents.

April 15, 2023: Chinese analyst Da Zhigang opines that the abortive assassination attempt against Prime Minister Kishida has burst the myth of Japan being a secure country, casting doubt among residents that the Hiroshima G7 Summit will be safe, while researcher Chen Yang believes such attacks are largely due to Japan's increasingly resentful society, caused by the sluggish economic growth and rising prices.

April 16, 2023: Criticisms <u>grow_of</u> Indonesian President Joko Widodo's 2015 choice of China over Japan to build a high-speed railway after Kereta Cepat Indonesia China, which is 40% owned by Chinese concerns, proposed in December adding another 30 years to its 50-year concession, meaning that the railway would be under China's influence until early in the 22nd century.

April 18, 2023: A Chinese military commentator <u>describes</u> Japan's new Official Security Assistance initiative as part of its plan to strengthen its military presence in Indo-Pacific on the pretext of maintaining "freedom, democracy and rule of law."

April 18, 2023: Communique of the G7 foreign ministers, meeting in Karuizawa preparatory to the G7 summit hosted by Japan, <u>calls</u> on China to abstain from threats, coercion, intimidation, or the use of force, expresses serious concern about the situation in the East and South China Seas, and strongly opposes any unilateral attempts to change the status quo by force or coercion.

April 19, 2023: Casting doubt on Japan's plans to improve its capacity to protect itself, the SDF <u>recruit</u> less than half the planned number of fixed-term personnel for fiscal 2022.

April 20, 2023: Former LDP Secretary General Nikai Toshihiro, known for his pro-China views, is <u>named</u> the new chairman of the Japan-China Parliamentary Friendship Association. **April 21, 2023**: Aiming to check China's influence after Kiribati cut ties with Taiwan, the MSDF <u>begins</u> its largest Indo-Pacific tour to date, include a port call in Kiribati. A total of 17 countries and regions will be visited, up from 12 in 2022, with a focus on Pacific Islands nations.

April 21, 2023: Prime Minister Kishida <u>sends</u> ritual *masakaki* offering to the Yasukuni Shine at its spring festival and China issues ritual objection. Although Kishida sends the offering as a private person, the masakaki is sent under his name as prime minister. A cross-party group of around 90 lawmakers, including senior vice ministers and parliamentary vice ministers, visits the shrine, as it regularly does. China issues a ritual protest.

April 23, 2023: Aiming to <u>reduce</u> reliance on China for crucial materials in EV batteries and motors, METI will subsidize up to half the cost of mine development and smelting projects of important minerals by Japanese companies. Lithium, manganese, nickel, cobalt, graphite and rare earths are the main targets for support.

April 25, 2023: Dong Yuyu, a former senior editor at CCP-affiliated *Guangming Daily* is <u>charged</u> with allegedly leaking information to multiple Japanese diplomats.

April 27, 2023: <u>Speaking</u> at a regularly scheduled Ministry of Defense press conference, spokesperson Senior Colonel Tan Kafei accuses Japan of distorting facts and spreading the China threat "cliché."

April 28, 2023: In a further <u>effort</u> to de-risk the scarce metals supply chain from China, Honda and battery manufacturer GS Yuasa Corporation will receive a \pm 158.7 billion subsidy from METI.

April 28, 2023: Chinese ambassador to Japan Wu Jianghao <u>describes</u> the case of a detained Astellas Pharma employee as a spy incident that touches on China's national security; it is not China that should back down, but rather individuals and organizations that are making people like the Astellas employee engage in espionage. **April 30, 2023**: <u>Speaking</u> at the Japan National Press Club in Tokyo, Ambassador Wu Jianghao objects to Japan describing China as its greatest strategic challenge, its cooperation with "certain countries" to oppose and contain China, and its accelerated military buildup. Describing the statement that a Taiwan emergency is a Japanese emergency as "absurd and dangerous," Wu continues that the G7, which had harsh words for China, has become a political tool of some countries to wantonly interfere in the internal affairs of other countries and suppress their development and progress.

PACIFIC FORTUM

A TRIANNUAL E-JOURNAL OF BILATERAL

RELATIONS IN THE INDO-PACIFIC

JAPAN-KOREA RELATIONS

THE RETURN OF SHUTTLE DIPLOMACY

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In March 2023, Japan and South Korea had a long-awaited breakthrough in their bilateral relations, which many viewed as being at the lowest point since the 1965 normalization. On March 16, South Korean President Yoon Suk Yeol and Japanese Prime Minister Kishida Fumio held a summit in Tokyo and agreed to resume "shuttle diplomacy," a crucial mechanism of bilateral cooperation that had been halted for about a decade. Behind the positive developments was President Yoon's political decision on the issue of compensating wartime forced laborers. The two leaders took steps to bring ties back to the level that existed prior to actions in 2018 and 2019, which precipitated the downward spiral in their relationship. Japan decided to lift the export controls it placed on its neighbor following the South Korean Supreme Court ruling on forced labor in 2018. South Korea withdrew its complaint with the World Trade Organization on Japan's export controls. Less than a week after the summit, Seoul officially fully restored the information sharing agreement (GSOMIA) that it had with Tokyo. They also resumed high-level bilateral foreign and security dialogues to discuss ways to navigate the changing international environment together as partners.

This article is extracted from <u>*Comparative Connections*</u>: A Triannual E–Journal of Bilateral Relations in the Indo–Pacific, Vol. 25, No. 1, May 2023. Preferred citation: Ji–Young Lee and Andy Lim, "Japan–Korea Relations: The Return of Shuttle Diplomacy" *Comparative Connections*, Vol. 25, No. 1, pp 147–160.

The big question now is whether this trend of restoring and expanding bilateral cooperation would continue throughout and beyond the Yoon presidency. In South Korea, critics argue that his handling of the forced labor issue is not a lasting solution to historical issues with Japan. The breakthrough was not a product of any major change in South Korean public sentiment toward Japan's past wrongdoings. Nor was it a product of changes in the Japanese position on outstanding bilateral historical and territorial issues. Both the Japanese and South Korean governments, however, feel the urgent need to cooperate for their own national security, and for economic reasons. Whether the advances in the first four months of 2023 will be short-lived or the start of a new partnership and reconciliation will likely depend on how much understanding they both show in seeing things from the other's perspective and how willing they will be in accommodating the other's political needs.



Figure 1 South Korea President Yoon Suk Yeol and Japan Prime Minister Kishida Fumio hold a joint press conference on March 16, 2023 in Tokyo, Japan. Photo: Kiyoshi Ota/Pool/Bloomberg/Anadolu Agency/Getty Images

President Yoon's Forced Labor Decision

On March 6, South Korea officially announced a plan by which a government foundation under the South Korean Ministry of Interior and Safety will compensate the victims of forced labor, using voluntary donations from South Korean companies. The victims and other civic groups in South Korea have requested that Japanese companies Nippon Steel Corporation and Mitsubishi Heavy Industries pay compensation and make sincere apologies. South Korean Foreign Minister Park Jin <u>explained</u> the government decision in the context of the importance of improving relations with Japan "for the national interest" and to "end the vicious circle" for the South Korean people.

The South Korean government had hoped that Japanese companies, including Nippon Steel Corporation and Mitsubishi Heavy Industries would voluntarily donate funds to this South Korean government foundation. For example, in his interview with South Korean broadcaster SBS in January, Foreign Minister Park said that it would be "desirable for Japanese companies to take measures of responding voluntarily and sincerely with а sense of historical consciousness." However, according to South Korean daily <u>Chosun Ilbo</u>, the Japanese government made an internal decision that these companies should not be involved, and that the Japan Business Federation (Keidanren) may donate funds but not to the government foundation. Japan has long maintained that all compensation was settled by the 1965 treaty that normalized diplomatic relations between Seoul and Tokyo and that it must be South Korea that offers a solution to the issue of forced labor.

In any society, the question of compensating victims of past wrongdoings is not a simple matter. This is especially the case in the context of interstate relations, because it concerns not just the availability of funds but historical memories and interpretations as to who caused harm and what justice means for victims in legal processes across borders. In other words, compensation issues fuse the notion of what ought to be done with relations between countries involved, often making salient the distinction of "us vs them." In this regard, the significance of President Yoon's decision and the South Korea's public responses to the forced labor issue can be understood at a much deeper level from the perspective of South Korean national identity and Japan's place in it. How do South Koreans regard the Japanese and how do they view themselves in relations to Japanparticularly considering South Korea's own aspirations as a global actor?

President Yoon's perspectives on Japan's role in envisioning South Korea's future is worth noting. His March First Independence Movement address and interviews with major Japanese dailies reveal how he sets himself apart from other leaders in South Korea by focusing on what South Korea and Japan have in common -- democratic values such as freedom and the rule of law. In his mind, these democratic values are what make South Korea an important global actor—or a "<u>global pivotal state</u>" in his parlance—and a participant in the liberal international order. His desire to work with Japan in large part stems from the fact that Japan shares these values with South Korea. In his speech, Yoon <u>stated</u> that the March First Independence Movement in 1919 was "a movement to build a free, democratic nation…" and continued:

Fellow Koreans,

Now, a century after the March First Independence Movement, Japan has transformed from a militaristic aggressor of the past into a partner that shares the same universal values with us. Today Korea and Japan cooperate on issues of security and economy. We also work together to cope with global challenges.

During his visit to Japan in mid-March, Yoon gave a special lecture before some 170 students at Keio University and encouraged future generations of the two countries to communicate actively for the future. Yoon <u>characterized</u> Japan-Korea relations as sharing similar cultures and sentiments, highlighting the significance that both countries are liberal democracies that uphold common values such as freedom, human rights, and the rule of law.



Figure 2 South Korean President Yoon Suk Yeol gives a special lecture at Keio University in Tokyo, Japan on March 17, 2023. Photo: Yonhap

Yoon's <u>interview</u> with the major conservative Japanese daily *Yomiuri Shimbun* just before the summit with Prime Minister Kishida explained his thinking that "when countries share universal values and have similar [political] systems, it is possible to trust and to predict how the other will likely to behave." When asked about Japan's national security documents that included the use of counterstrike capabilities—

the capability for Japan to strike into an opponent's territory—Yoon showed his understanding of Japan's measures given North Korean missile capabilities that can pass over Japanese the archipelago ("日本の措置を十分理解している"). Earlier in January, during a joint policy briefing from the foreign and defense ministries, President Yoon had said he does not take issue with Japan increasing its defense budget because of the North Korean missile threat.

Whether and to what extent Yoon's approach will be sustained hinges on South Korean public opinion. Whereas the Yoon administration's announcement was hailed in Japan and the United States, his actions toward Japan received mixed responses, at best, back home, presenting a challenging task for him and South Korean society. According to a Gallup Korea poll, 59% of South Koreans said that they opposed the plan for not requiring Japan's official apology and compensation. About 35% of respondents supported the plan in consideration of South Korean's national interests and relations with Japan. The same polling suggests that while 31% felt that South Korea's relations with Japan should be mended as soon as possible even if that meant Seoul's concessions, a higher percentage of people—64%—answered that there is no need to hurry as long as Japan does not show a change in its attitude toward history issues. Also, 85% of South Koreans thought that the Japanese government has not repented for its wartime atrocities, suggesting that the deal itself is not a product of national consensus nor a result of national dialogue.

Main opposition Democratic Party leader Lee Jae-myung <u>called</u> the government plan "the biggest humiliation and stain in diplomatic history." A week after the government's announcement, the Democratic Party unilaterally <u>passed</u> a resolution in the National Assembly that urged the Yoon administration to withdraw its compensation plan. Civic groups supporting the forced labor victims, a coalition of 611 civic and labor organizations, immediately opposed the compensation plan for not involving direct contributions from responsible Japanese firms. A 94-year-old surviving forced labor victim said she will not accept any compensation from the foundation because it is through a third-party and was not South Korean intellectuals apology. an expressed strong concerns about Yoon's take on history, with some criticizing prospects of strengthening military cooperation with Japan. For example, on the day that President Yoon departed for the United States for a state visit, 248 Sungkyunkwan University professors and researchers <u>signed</u> a declaration that criticized the Yoon administration's foreign and security policy. They expressed concern that a South Korea-US-Japan military pact will "turn South Korea into an outpost of a US proxy war."



Figure 3 Yang Geum-deok, a forced labor victim, and activists condemn government's plan to compensate victims of Japan's wartime forced labor on March 6, 2023 in Gwangju, South Korea. Photo: Yonhap

There are 15 plaintiffs from the 2018 Supreme Court ruling. Victims who publicly announced that they would accept the payment showed their understanding toward the South Korean government's position on the importance of South Korea's relations with Japan. According to Mr. Chung-the son of a forced labor victimafter waging a legal battle (with his father) for some 30 years in Japan and South Korea, the South Korean government plan signified a meaningful end to those years of efforts. His interview with South Korean daily Chosun Ilbo shed light on an episode of those Japanese who supported Korean victims. He said, "when we were doing a trial in Japan, we received much help from Japanese attorneys and civil society activists. They always kneeled in front of my father and repeated that they 'apologized for the past wrong doings'."

In contrast to the reception in South Korea for President Yoon's plan -- seen either as too rushed or conceding too much—Japan readily welcomed Seoul's announcement. Prime Minister Kishida <u>said</u> it is a "return to a healthy relationship" between the two countries. According to a survey by the Japanese daily <u>Asahi</u> <u>Shimbun</u>, 55% of Japanese respondents viewed South Korea's proposal positively, while 28% said that they disapproved. About 65% of those who approved of the Kishida administration and 49% among those who disapproved supported Seoul's plan. Furthermore, the survey showed that a majority of Japanese respondents who were in their 60s and 70s—67%—viewed the plan positively.

The Kishida-Yoon summit—Shuttle Diplomacy, GSOMIA, and Economic Security

Marking the first bilateral presidential trip to Japan in 12 years, President Yoon visited Tokyo on March 16 and 17 for a summit with Prime Minister Kishida. The last such visit was in 2011 by then President Lee Myung-bak. Several important deliverables emerged from the summit: 1) the resumption of shuttle diplomacy (reciprocal visits by the leaders of the two countries); 2) the creation of a forum to facilitate cooperation on economic security; and 3) the full restoration of the General Security of Military Information Agreement (GSOMIA).

On history, Prime Minister Kishida stated at the joint press conference that "Japan confirms that it upholds in its entirety the position of the previous cabinets on history." This includes the 1998 Joint Declaration between President Kim Dae Jung and Prime Minister Obuchi Keizo, which <u>states</u> that "it was important that both countries squarely face the past and develop relations based on mutual understanding and trust...Prime Minister Obuchi regarded in a spirit of humility the fact of history that Japan caused, during a certain period in the past, tremendous damage and suffering to the people of the Republic of Korea through its colonial rule, and expressed his deep remorse and heartfelt apology for this fact."

Sharing the view that "there is an urgent need to strengthen Japan-South Korea relations and that they will work to further develop ties," Kishida and Yoon agreed to resume shuttle diplomacy, and restart other dormant and new dialogues. This included plans to resume the Japan-ROK Security Dialogue and the Japan-ROK Vice-Ministerial Strategic Dialogue. They also created a new bilateral economic security dialogue to discuss cooperation in supply chains and key technologies.

Bilateral diplomacy blossomed immediately after the summit. South Korean Unification Minister Kwon Young-se <u>made</u> a four-day trip to Japan in late March, the first in 18 years. In April, the 2+2 meeting of foreign and defense ministry officials was <u>held</u> in Seoul for the first time in five years. In mid-April, they <u>agreed</u> to have finance ministers meet in May on the sidelines of the ADB annual meeting in Songdo, South Korea, which would be the first meeting in seven years.

Another important result of the summit was the agreement to "completely normalize" GSOMIA. Former President Moon Jae-in decided to terminate this military intelligence-sharing agreement between the two in 2019 (in response to Japan's export controls). While that decision was eventually put on hold, intelligence sharing has been limited. With its resumption, the two neighbors can again share critical information on missile tests by North Korea, which has already conducted <u>12 such tests</u> during the reporting period. Even before the breakthroughs of March 2023, the one area where the two neighbors cooperated consistently since the start of the Yoon administration has been their joint responses to North Korea's provocations. North Korea's growing nuclear and missile capabilities unite the two governments and will likely continue to do so.

Beyond these national security-related matters, part of the larger process to heal the relationship is resolving symbolic but important disputes to show trust and reciprocity. The two sides chose one issue that was either an outcome or catalyst—depending on which side you are on for the cold relations in the past four years: controversial export controls that Japan placed on South Korea in 2019, which in Seoul's view was retaliation for the Supreme Court ruling in 2018 against Japanese companies.

On the same day the forced labor compensation plan was unveiled, South Korea announced its intention to withdraw its complaint to the World Trade Organization (WTO)-tabled in 2019against Japan's export controls on fluorinated polyimide, hydrogen fluoride, and resistskey precursor materials three for semiconductors and displays. When Yoon and Kishida met on March 16, Japan announced it was lifting export controls on those items. Korea responded the same day by officially withdrawing its WTO complaint and calling it the "first step" in establishing trust. Procedures to do so were <u>completed</u> a week later on March 23, and Seoul began domestic procedures to put Japan back on its "white list" of trusted trade partners. Less than a month later, South Korea officially <u>reinstated</u> Japan to its "white list," restoring the ability of South Korean companies to fast-track export of strategic items to Japan. In recognition of improving trust, Japan reciprocated and <u>began</u> on April 28 domestic procedures to put South Korea back on its own "white list."

In addition to mending ties, the two leaders also agreed to further bilateral cooperation. This includes the creation of a new body to promote bilateral dialogue economic security to enhance the stability of supply chains for components. During his trip to Japan, President Yoon brought up new areas and industries for bilateral cooperation. In his meeting with the Korea-Japan business community, Yoon said there was "tremendous potential" in "new industries of the future such as digital transformation, semiconductors, batteries and electric vehicles." After he returned to Seoul, he asked each ministry to come up with plans to expand cooperation with Japanese counterparts.

On March 18, the South Korean Ministry of Science and ICT announced possible plans to expand cooperation with Japan in AI, "5G and 6G wireless networks, space satellites and quantum technologies", and to resume working-level talks on radio wave issues and upgrade it to the ministerial level. On March 24, Deputy Prime Minister and Minister of Economy and Finance Choo Kyungho said restored bilateral relations will provide "significant positive spillover" to the South Korean economy. On April 11, President and CEO of the Korea Trade-Investment Promotion Agency (KOTRA) Yu Jeoung-yeol <u>spoke</u> about opportunities to expand business cooperation with Japan. including in "digital transformation, carbon neutrality and components" and potentially working together in third countries.

The business communities in both countries have been big supporters of the rapprochement. Some 63.6% of South Korean trade firms <u>surveyed</u> by KITA in late March said the summit will have positive impacts on business. During a roundtable with President Yoon in Tokyo, Chairman of South Korea's Federation of Industries Kim Byong-joon said the two sides will expand economic exchanges in areas such as economic security and digital and green energy. The Chairman of Japan's Keidanren Tokura Masakazu called it "a golden opportunity" for a "forward-looking relationship."

Both sides <u>played</u> their part by creating separate "future partnership" funds worth \$1.5 million each to promote youth exchanges and joint research between the two countries. Shortly after the summit, the six major South Korean business lobbies released a joint statement calling Yoon's visit a "'turning point' in bilateral relations." In April, Korea Chamber of Commerce and Industry (KCCI) and the Japan Chamber of Commerce and Industry (JCCI) resumed working-level meetings for the first time in six years and <u>announced</u> the resumption of their high-level annual conference in Busan on June 9. The South Korean Ministry of Trade, Industry and Energy said about 400 companies from both countries will participate in about five meetings in the first half of 2023 to expand economic and industrial exchanges.

After the summit, Kishida's Cabinet approval rating <u>went up</u> from 35% in February to 40%. Some 63% of Japanese respondents thought that the summit with Yoon went well, while 21% disagreed. Importantly, even among those who disapprove of the Kishida Cabinet, 56% evaluated the summit positively, while 78% of those who supported the Kishida Cabinet did so. *Yomiuri Shimbun*, a major conservative daily in Japan, <u>commented</u> that it was "Yoon's political decision that led to a breakthrough in bilateral relations," advocating that the summit "should serve as turning point to deepen broad exchanges."

Trilateral Cooperation at a New Height

The US has been unequivocal in reaffirming that a strong trilateral relationship is "key" and "central" to a shared vision of a free and open Indo-Pacific. This was evident by the US responses to the March 6 announcement and the Yoon-Kishida March 16 summit. When the South Korean government announced the compensation plan, the US wholeheartedly endorsed Seoul's initiative. President Joe Biden praised the announcement as marking "a groundbreaking new chapter of cooperation and partnership" between its two allies. Similar endorsements came quickly from the US diplomatic establishment, including from Secretary Blinken, Deputy Secretary Sherman, and Ambassador Goldberg.

Since the start of the Biden administration, Washington has worked constantly behind the scenes to create an environment for improving relations between Seoul and Tokyo, and to help reach some sort of reconciliation between its two closest allies in the Indo-Pacific. The US has done this by organizing and facilitating a series of trilateral meetings in the past year. The three partners have been in lockstep in maintaining diplomatic coordination and strengthening defense cooperation in the past months. They held the first session of the newly created trilateral economic security dialogue—an initiative from the Phnom Penh statement in November 2022—in Honolulu on Feb. 28. These efforts undoubtedly provided a major boost for the Yoon-Kishida summit.

Since the start of 2023, North Korea has remained committed to continuing its aggressive campaign of missile testing, and it has already quickly <u>matched</u> the pace of 2022, which we know was a record-breaking year of provocations. So far this year, North Korea has unveiled new capabilities to threaten South Korea and Japan, including tactical nuclear warheads, unmanned underwater attack drones, and strategic cruise missiles. By the end of April, North Korea conducted 12 missile tests matching 2022—and launched more missiles than ever before in the same time period.

South Korea and Japan participated together with the US in <u>anti-submarine warfare exercises</u> and <u>anti-submarine and search-and-rescue</u> <u>exercise</u>, which included the first search-andrescue drills among the three nations in seven years. They also <u>continued</u> to respond to North Korean missile tests with trilateral missile defense exercises, working together to improve procedures to deter, track, and intercept potential missiles.

In mid-April, the three <u>hosted</u> the 13th Defense Trilateral Talks (DTT)—a director-general level defense meeting—for the first time in three years in Washington. The biggest takeaways from that meeting were the discussion to "regularize" missile defense and antisubmarine exercises to deter against the North Korean threat and plans to also resume trilateral exercises like maritime interdiction and antipiracy exercises.

Still Unresolved Issues

The progress of the past few months has crossed one pressing issue off the long list of issues for now. But there remain quite a few unresolved bilateral concerns that the two administrations must navigate in the foreseeable future. These include the Fukushima seafood and wastewater discharge plan, Dokdo/Takeshima, history textbooks, Sado Mine, and more.

Fukushima wastewater

Up first is an issue close to the Korean public's mind and appetite: seafood from the Fukushima region—which has been banned since 2013 for fears of radiation—and Japan's plan to soon discharge potentially unsafe wastewater—more than 1 million tons—from the disabled Fukushima Daiichi nuclear power plant into the Pacific Ocean. The wastewater discharge, expected to begin this spring or summer barring further delays, will likely continue to test the resolves of the two governments and their public.

The wastewater issue caused quite a stir in the aftermath of the Yoon-Kishida summit, as some Japanese media reported that Yoon told Japanese lawmakers he vowed to seek and improve Korean's public understanding over the discharge plan. Interestingly, this reporting was not disavowed by South Korean Foreign Minister Park Jin, who went on record to say that two other issues allegedly discussed-Dokdo/Takeshima and comfort women-were not talked about. The Yoon government at the end of March declared that there are no plans to lift the ban on Fukushima seafood. That didn't stop the pressure. In April, lawmakers from the opposition Democratic Party (DP)'s task force on this issue visited the Japanese embassy in Seoul to ask the Japanese government to suspend the discharge plan. They followed this meeting with a three-day study trip to Japan to look into the discharge plan and situation in the Fukushima area. Another DP lawmaker proposed a bill to recognize the potential damage from the plan as a "fishing industry disaster" to preemptively help fishermen.

Meanwhile, data from the Korea Customs Service on April 18 <u>showed</u> that South Korea's import of Japanese seafood increased by almost 21% in the first quarter of 2023, following a strong 2022 where imports hit a 12-year high. A day after those numbers were released, the Ministry of Oceans and Fisheries, together with the South Korean Coast Guard, <u>announced</u> a two-month inspection into the marking of origin for imported seafood products over safety concerns.



Figure 4 Opposition party members talking to reporters about Japan's plan to release radioactive water from Fukushima nuclear power plant at Japanese Embassy on April 5, 2023 in Seoul, Republic of Korea. Photo: Yonhap

Textbooks, Disputed Islets and Sado Mine

The Japanese government's decision on March 28 to <u>approve</u> new textbooks with questionable language on sensitive historical issues again raised protests. One example was changing Korean men being conscripted to fight for the Japanese during World War II to "having participated," and the second was adding the word "illegal" to describe South Korea's claims to the disputed Dokdo/Takeshima islets. The South Korean Ministry of Foreign Affairs <u>expressed</u> strong regrets, saying that "the Korean government urges the Japanese government to sincerely inherit the spirit of apology and reflection of its past."

Two weeks later, the Japanese foreign ministry <u>continued</u> using the phrase "illegal occupation" in its 2023 Diplomatic Bluebook. In an attempt to bolster Korea's claim to the islets, opposition leader Lee Jae-myung <u>introduced</u> a bill on March 21 to revise the Act on Sustainable Use of Dokdo to designate "Dokdo Day" (Oct. 25) as a legally recognized anniversary and require the Minister of Oceans and Fisheries to add plans about the use of islets in regular reports.

The Sado mine issue came up in late January, when Japan <u>resubmitted</u> its bid to list the controversial gold and silver mine on Sado Island, which is linked to South Korean wartime forced labor, to the UNESCO World Heritage list. Japan's application in 2022 was deemed incomplete by the agency. If the bid is forwarded this time for recommendation, formal decision on its inclusion is expected in summer 2023. In late February, the South Korean National Assembly <u>adopted</u> a resolution urging Japan to withdraw its bid.

Looking Ahead

The big question now is whether this trend of restoring and expanding bilateral cooperation would continue throughout and beyond the Yoon presidency.

CHRONOLOGY OF JAPAN-KOREA RELATIONS

JANUARY—APRIL 2023

Jan. 1, 2023: US, South Korean, and Japanese nuclear envoys Sung Kim, Kim Gunn, and Funakoshi Takehiro <u>discuss</u> North Korea's call for strengthening self-defense capabilities and recent provocations.

Jan. 1, 2023: Japanese newspaper Yomiuri Shimbun <u>reports</u> that South Korea and Japan are considering sharing radar information in real time on North Korean missile launches by connecting their systems via the US Indo-Pacific Command.

Jan. 11, 2023: In the South Korean foreign ministry's report to President Yoon Suk Yeol on major policy tasks for 2023, First Vice Foreign Minister Cho Hyun-dong says Korea will continue to mend ties with Japan through "reasonable solutions" to pending issues, and also hope to resume shuttle diplomacy.

Jan. 11, 2023: In a joint policy briefing from the foreign and defense ministries, President Yoon <u>says</u> he does not take issue with Japan increasing its defense budget because of the North Korean missile threat.

Jan. 11, 2023: US Secretary of State Antony Blinken <u>reiterates</u> that the US is working to deepen trilateral cooperation with South Korea and Japan to deter against North Korean provocations.

Jan. 12, 2023: South Korean foreign ministry holds a public hearing at the National Assembly on the wartime forced labor issue and confirms a plan to compensate victims through a public foundation fund instead of through funds from Japanese companies. The announcement was strongly protested by victims and supporting civic groups.

Jan. 12, 2023: About 30 lawmakers from the opposition Democratic Party and the Justice Party hold a press conference with a civic group to denounce the South Korean government's compensation proposal for victims of wartime forced labor.

Jan. 13, 2023: South Korea's LG Energy Solution Ltd. and Japan's Honda Motor Co. joint US electric-vehicle battery venture, the L-H Battery Co. Inc. officially <u>starts</u> with plans for a facility in Jeffersonville, Ohio with an annual production capacity of 40 gigawatt hours.

Jan. 13, 2023: South Korean Foreign Minister Park Jin and Japanese Foreign Minister Hayashi Yoshimasa <u>speak</u> on the phone and agree to continue close discussion on the wartime forced labor issue, a day after South Korea proposes a new compensation plan.

Jan. 15, 2023: Chairperson of South Korea's Nuclear Safety and Security Commission Yoo Guk-hee <u>says</u> the safety review process for Japan's planned release of contaminated water from the Fukushima Daiichi power plant has not been completed.

Jan. 16, 2023: South Korean Foreign Ministry's Director-General for Asia and Pacific Affairs Seo Min-jung <u>meets</u> Japanese counterpart Funakoshi Takehiro in Tokyo for discussions on the wartime forced labor issue, including on South Korea's compensation plan proposal.

Jan. 17, 2023: Both South Korean President Yoon and Japanese Prime Minister Kishida Fumio <u>express</u> the desire to continue improving bilateral relations, with Yoon reiterating that the two are "the closest and most important neighbors."

Jan. 20, 2023: South Korean Second Vice Foreign Minister Lee Do-hoon <u>calls</u> in an official from the Japanese embassy in Seoul to lodge a formal protest over Japan's move the day before to resubmit a recommendation letter to list the Sado Island gold mine as a UNESCO World Heritage Site.

Jan. 24, 2023: South Korean Foreign Ministry's Director-General for Asia and Pacific Affairs Seo Min-jung <u>calls</u> in an official from the Japanese embassy in Seoul to lodge a protest over

Japanese Foreign Minister Hayashi Yoshimasa's speech in the Diet on Dokdo/Takeshima.

Jan. 26, 2023: South Korean foreign minister **says** in an interview with SBS that it is ""desirable for Japanese companies" to voluntarily participate in the proposed compensation plan for the wartime forced labor issue.

Jan. 28, 2023: Japanese newspaper *Sankei Shimbun* <u>reports</u> that Japan is considering lifting export controls to South Korea as they continue to work on a resolution to the wartime forced labor issue. Kyodo News also <u>reports</u> that Japan has plans to uphold previous apology to Korea.

Jan. 30, 2023: South Korean Foreign Ministry's Director-General for Asia and Pacific Affairs Seo Min-jung <u>meets</u> again with Japanese counterpart Funakoshi Takehiro, this time in Seoul, to continue discussions on the wartime forced labor issue. Government sources say Japan is planning to uphold previous statements by Japanese prime ministers expressing "deep remorse" and "heartfelt apology"as part of a "sincere response" requested by South Korean officials.

Jan. 31, 2023: South Korean Special Representative for Korean Peninsula peace and security affairs Kim Gunn <u>meets</u> Japanese counterpart Funakoshi Takehiro in Seoul to discuss bilateral and trilateral (with the US) measures to deal with the North Korean threat.

Feb. 6, 2023: South Korean Prime Minister Han Duck-soo <u>tells</u> National Assembly that South Korea's relations with Japan "should move toward the future" in response to a question on how the wartime forced labor issue should be resolved.

Feb. 13, 2023: South Korean First Vice Foreign Minister Cho Hyun-dong <u>says</u> South Korea and Japan are narrowing differences on the wartime forced labor issue and hopes to resolve it soon.

Feb. 13, 2023: US Deputy of State Wendy Sherman <u>hosts</u> a trilateral minister meeting in Washington, DC with Korean and Japanese counterparts Cho Hyun-dong and Mori Takeo. Their joint statement reaffirms their commitment to the trilateral relationship and underscores that this is vital "not only to the security and prosperity of the Indo-Pacific region but also to their shared global interests." They also vow to continue the success of their trilateral exercises on ballistic missile defense and anti-submarine warfare.

Feb. 13, 2023: South Korean First Vice Foreign Minister Cho Hyun-dong and Japanese Vice Foreign Minister Mori Takeo <u>hold</u> bilateral talks in Washington to find "common ground" on the wartime forced labor issue.

Feb. 16, 2023: US, South Korea, Japan, and Taiwan <u>hold</u> first meeting of the "Chip4" or "Fab 4" initiative to build a resilient semiconductor supply chain, involving senior government officials. They also <u>discuss</u> building an early warning system.

Feb. 18, 2023: US Secretary of State Antony Blinken, South Korean Foreign Minister Park Jin, and Japanese Foreign Minister Hayashi <u>hold</u> a trilateral meeting on the sidelines of the Munich Security Conference. They condemned North Korea's latest launch of an ICBM and committed to strengthening defense cooperation and joint deterrence.

Feb. 19, 2023: South Korean FM Park Jin and Japanese FM Hayashi <u>meet</u> in a 35-minute bilateral meeting on the sidelines of the Munich Security Conference to discuss "major points in dispute" in the wartime forced labor issue. The Korean side asked Japan to make a "make a political decision for a sincere response."

Feb. 22, 2023: US, South Korea, and Japan <u>carry</u> out joint maritime drills in the sea between Korea and Japan in response to North Korea's recent ICBM and SRBM tests. The trilateral exercises lasted about five hours and involved *Aegis* ships from each side and included exercises on information sharing and response procedures.

Feb. 22, 2023: Commander of the US Seventh Fleet Vice Adm. Karl Thomas, Commander of the ROK Fleet Vice Adm. Kim Myung-soo and Commander of Japan's Self-Defense Fleet Vice Adm. Saito Akira <u>meet</u> in the US Seventh Fleet base in Yokosuka, Japan to discuss cooperation against the North Korean threat.

Feb. 22, 2023: Japan <u>sends</u> Nakano Hideyuki, vice minister in the Cabinet Office to attend an annual ceremony for Dokdo/Takeshima. South Korean Foreign Ministry's Director-General for Asia and Pacific Affairs Seo Min-jung lodged a protest with the Japanese Embassy in Tokyo.

Feb. 27, 2023: South Korean National Assembly adopts a resolution urging Japan to withdraw its bid to list the Sado gold mine as a UNESCO World Heritage Site.

Feb. 28, 2023: US, South Korea, and Japan hold first meeting of the newly established trilateral economic security dialogue in Honolulu, Hawaii.

Feb. 28, 2023: South Korean FM Park Jin <u>meets</u> families of victims of wartime forced labor to discuss South Korea–Japan negotiations on a resolution, and to listen to their opinions on the South Korea government proposal.

March 1, 2023: In his first speech addressing the March First Independence Movement Day, President Yoon <u>calls</u> Japan a "partner" to work together to face global challenges.

March 1, 2023: In a rally marking the March First Independence Movement, leader of the opposition Democratic Party Lee Jae-myung <u>says</u> the Yoon government is humiliating forced labor victims with their compensation plan. Other members of the opposition party also <u>criticized</u> President Yoon's speech.

March 1, 2023: US Department of State spokesperson Ned Price <u>says</u> the US supports President Yoon's vision for a "more cooperative, future oriented relationship with Japan."

March 3, 2023: South Korea and Japan <u>create</u> a new channel of bilateral communication to negotiate a resolution of the wartime forced labor issue. The new channel is between South Korea's National Security Office and Japan's National Security Secretariat. This new channel is one of a few in addition to the foreign ministry.

March 6, 2023: South Korean FM Park Jin formally <u>announces</u> the Yoon government's compensation plan for the 15 forced labor victims. It will use a public foundation called the Foundation for Victims of Forced Mobilization to compensate victims, which will be funded with "voluntary" donations from the private sector.

March 6, 2023: President Yoon <u>says</u> the decision to have compensation without the direct involvement of Japanese businesses was "aimed at "moving toward a future-oriented relationship between South Korea and Japan."

March 6, 2023: Prime Minister Kishida praises the compensation plan and says it will help restore "healthy ties" with South Korea, an "important partner." He also says Japan will stand by its past apology to South Korea, referencing the Murayama Statement in 1995.

March 6, 2023: South Korean opposition leader Lee Jae-myung <u>calls</u> the Yoon government's forced labor compensation plan "the biggest humiliation and stain in diplomatic history."

March 6, 2023: Civic groups supporting forced labor victims, a coalition of 611 civic and labor organizations, <u>oppose</u> the compensation plan for not having direct contributions from responsible Japanese firms. A 94-year-old surviving forced labor victim said she will not accept any compensation from the foundation because it is from a third-party and also not an apology.

March 6, 2023: South Korea <u>drops</u> its complaint with the World Trade Organization (WTO) on Japan's export controls of three important semiconductor precursor materials, hydrogen fluoride, fluorinated polyamide and photoresist.

March 6, 2023: Japan <u>announces</u> it will start discussions with South Korea on lifting export controls.

March 7, 2023: President Yoon <u>reiterates</u> that his government's compensation plan for the forced labor victims was made without the direct involvement of Japanese companies in consideration of "future-oriented cooperation between South Korea and Japan" while "respecting the victims' positions."

March 7, 2023: Floor leader of the South Korean opposition party Park Hong-keun <u>asks</u> Yoon to apologize for his compensation plan, calling it an act of "serious humiliation for victims and all our people."

March 7, 2023: Civic groups supporting forced labor victims <u>criticizes</u> the compensation plan in front of the National Assembly, saying "March 6 of 2023 will be recorded as the worst day in South Korean history and the second National Humiliation Day." **March 9, 2023**: South Korean Prime Minister Han Duck-soo <u>defends</u> the government's compensation plan for forced labor victims, saying the proposal is "result of repeated considerations to promote future-oriented Korea-Japan relations while swiftly healing the pain that victims of forced labor have suffered for a long time."

March 9, 2023: New leader of the ruling People Power Party in South Korea, Rep. Kim Gi-hyeon, say Korea-Japan relationship "should be rewritten for the future generation."

March 10, 2023: A Gallup Korea poll <u>shows</u> that 59% of Koreans do not approve of the Yoon government's compensation plan because it does not involve an apology or compensation from Japanese firms.

March 11, 2023: South Korean opposition leader Lee Jae-myung again <u>criticizes</u> the compensation plan at a rally, and says there is a chance that Japanese Self-Defense Forces may enter the Korean Peninsula under a joint trilateral military drill.

March 13, 2023: President Yoon <u>instructs</u> each ministry to find new cooperation projects to build a "future-oriented" relationship with Japan.

March 13, 2023: South Korea's opposition Democratic Party unilaterally <u>passes</u> a resolution in the National Assembly urging the Yoon government to withdraw its compensation plan for wartime forced labor victims.

March 15, 2023: POSCO Holdings Inc., South Korea's leading steelmaker <u>announces</u> it has donated \$3.1 million to the Foundation for Victims of Forced Mobilization to compensate forced labor victims.

March 15, 2023: South Korea and Japan <u>participate</u> in *Sea Dragon 23*, a US-led multinational anti-submarine warfare exercises off Guam, a few days after North Korea conducted its first test firing of strategic cruise missiles from a submarine.

March 16, 2023: North Korea test-<u>fires</u> an ICBM hours before the Yoon-Kishida summit in Tokyo.

March 16, 2023: President Yoon <u>arrives</u> in Tokyo for his two-day trip to meet Prime Minister Kishida, the first bilateral visit by a South Korean leader in 12 years. During their summit, they <u>agreed</u> to "'completely normalize'" GSOMIA, a military intelligence sharing agreement. They <u>met</u> later for dinner and drinks at Rengatei, a famous Japanese restaurant known as the birthplace of *omurice*.

March 16, 2023: South Korean and Japanese business groups, the Federation of Korean Industries (FKI) and the Japan Business Federation (Keidanren) <u>announce</u> plans to create a separate fund to support cooperation projects, including youth exchange programs and joint research, as of the proposed resolution to the forced labor issue.

March 16, 2023: Japan announces decision to <u>lift</u> export controls on three precursor materials, fluorine polyimide, photoresist and hydrogen fluoride to South Korea. In return, South Korea <u>announces</u> withdrawal of its complaint with the WTO on Japan's export controls.

March 16, 2023: Two forced labor victims <u>file</u> a lawsuit in Seoul Central District Court against a South Korean affiliate of Mitsubishi Heavy Industries in order to collect compensation.

March 17, 2023: President Yoon <u>meets</u> members of the Japan-Korea Parliamentarians' Union and the Japan-Korea Cooperation Committee, including former Prime Ministers Aso Taro and Suga Yoshihide. He also meets leaders of the opposition Constitutional Democratic Party and Komeito, the junior coalition partner of the ruling Liberal Democratic Party.

March 17, 2023: President Yoon meets business leaders from South Korean and Japanese business groups, the Federation of Korean Industries (FKI) and the Japan Business Federation (Keidanren).

March 17, 2023: South Korean opposition leader Lee Jae-myung <u>criticizes</u> the Yoon-Kishida summit and calls it the "most humiliating and dreadful moment in the history of our diplomacy."

March 18, 2023: South Korean opposition leader Lee Jae-myung and about 3,000 people <u>demonstrate</u> in front of Seoul City Hall against Yoon's recent summit with Kishida. **March 20, 2023**: Japan's *Kyodo News* <u>reports</u> that Prime Minister Kishida has invited President Yoon to the G-7 summit in Hiroshima in May.

March 21, 2023: South Korea and Japan fully <u>restore</u> the General Security of Military Information Agreement (GSOMIA), which has been put on hold since 2019.

March 22, 2023: Speaker of South Korea's National Assembly and member of the opposition Democratic Party Kim Jin-pyo <u>says</u> President Yoon made a "'big decision'" with the forced labor issue, and also urged Japan to make a concession and an apology from Prime Minister Kishida.

March 22, 2023: South Korean Unification Minister Kwon Young-se <u>begins</u> a four-day trip to Japan, the first in 18 years, and meets top Japanese officials to discuss North Korea and the abductee issue.

March 23, 2023: South Korean PM Han Ducksoo <u>says</u> a "new horizon" has opened in the bilateral relations between Korea and Japan as a result of the Yoon-Kishida summit on March 16.

March 23, 2023: South Korea <u>completes</u> procedures to withdraw its WTO complaint on export controls against Japan and begin domestic procedures to reinstate Japan to its "white list" of trusted trade partner.

March 24, 2023: South Korean Finance Minister Choo Kyung-ho says restoring Korea-Japan bilateral relations will "give a significant positive spillover" to the South Korean economy.

March 28, 2023: Japan's Ministry of Education, Culture, Sports, Science and Technology <u>approves</u> 149 textbooks, with some using language that waters down language on wartime conscription of South Koreans and on Dokdo/Takeshima.

March 30, 2023: South Korea's Office of the President <u>announces</u> that Korea will not resume imports of seafood from the Fukushima region.

March 30, 2023: South Korea and Japan <u>hold</u> a trade meeting of over 100 government officials in Seoul to discuss improving bilateral business and trade cooperation.

April 3, 2023: South Korea, Japan, and the US begin a two-day trilateral anti-submarine and search-and-rescue exercise involving the USS Nimitz aircraft carrier.

April 5, 2023: Daejeon District Court <u>seizes</u> four additional Korean-based patent rights of Mitsubishi Heavy Industries at the request of a few forced labor victim. This is part of the seizure and debt collection process for the compensation suit that was upheld by an appeals court and pending at the Supreme Court.

April 7, 2023: US Special Representative for the DPRK Sung Kim, South Korea's Special Representative for Korean Peninsula Peace and Security Affairs Kim Gunn, and Japan's Director-General of the Asian and Oceanian Affairs Bureau Takehiro Funakoshi <u>meet</u> trilaterally in Seoul to discuss recent North Korean missile tests and human rights situation.

April 7, 2023: Japan's Director-General of the Asian and Oceanian Affairs Bureau Takehiro Funakoshi also <u>meets</u> with Korean counterpart Seo Min-jung in Seoul to discuss follow-up measures to the Yoon government's compensation plan for the forced labor issue.

April 10, 2023: Four lawmakers from the South Korean opposition party <u>finish</u> their three-day trip to Japan to look into the wastewater discharge plan from the Fukushima nuclear power plant.

April 10, 2023: Korea Chamber of Commerce and Industry (KCCI) and Japan Chamber of Commerce and Industry (JCCI) <u>hold</u> workinglevel meeting in Seoul, the first time in six years.

April 11, 2023: South Korean Foreign Ministry lodges a protest with the Japanese embassy in Seoul for the inclusion of Dokdo/Takeshima in the 2023 Diplomatic Bluebook.

April 11, 2023: President and CEO of Korea Trade-Investment Promotion Agency (KOTRA) Yu Jeoung-yeol <u>speaks</u> about opportunities to expand business cooperation with Japan, including in "digital transformation, carbon neutrality and components" and working together in third countries.

April 13, 2023: US Special Representative for the DPRK Sung Kim, South Korea's Special Representative for Korean Peninsula Peace and

Security Affairs Kim Gunn, and Japan's Director-General of the Asian and Oceanian Affairs Bureau Takehiro Funakoshi <u>hold</u> phone calls to discuss North Korea's latest missile tests.

April 13, 2023: According to the South Korean Foreign Ministry, 10 of the 15 bereaved families of the forced labor victims have <u>agreed</u> to receive compensation from the Foundation for Victims of Forced Mobilization.

April 15, 2023: US, South Korea, and Japan <u>hold</u> the 13th Defense Trilateral Talks, a directorgeneral level talk in Washington, D.C. to discuss the North Korean threat and ways to deepen trilateral security cooperation.

April 15, 2023: South Korea and Japan <u>agree</u> to boost tourism during South Korean Minister of Culture, Sports and Tourism Park Bo-gyoon's visit to Tokyo.

April 17, 2023: South Korea and Japan <u>hold</u> a 2+2 meeting of director-general level foreign ministry and defense ministry officials in Seoul to discuss the North Korean threat and trilateral security cooperation.

April 19, 2023: South Korea's Ministry of Oceans and Fisheries <u>announce</u> a two-month inspection with the Coast Guard into the marking of origin for imported seafood products over safety concerns.

April 21, 2023: South Korean foreign ministry <u>expresses</u> "deep disappointment and regret" after Prime Minister Kishida sent a ritual offering of a "masakaki" tree stand to Yasukuni Shrine.

April 24, 2023: South Korea <u>reinstates</u> Japan back to its "white list" of trusted trading partners, allowing South Korean companies to fast-track export of strategic items to Japan.

April 28, 2023: Japan <u>begins</u> domestic procedures to relist South Korea back to its "white list" of trusted trading partners.

April 29, 2023: Japanese newspaper Yomiuri Shimbun reports that Prime Minister Kishida will likely visit Seoul either May 7 or 8 for another summit with South Korean President Yoon.

PACIFIC FORTUR CONNECTIONS

A TRIANNUAL E-JOURNAL OF BILATERAL

RELATIONS IN THE INDO-PACIFIC

CHINA- RUSSIA RELATIONS

WAR AND PEACE FOR MOSCOW AND BEIJING

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Perhaps more than any other time in their respective histories, the trajectories of China and Russia were separated by choices in national strategy. A year into Russia's "special military operation" in Ukraine, the war bogged down into a stalemate. Meanwhile, China embarked upon a major peace offensive aimed at Europe and beyond. It was precisely during these abnormal times that the two strategic partners deepened and broadened relations as top Chinese leaders traveled to Moscow in the first few months of the year (China's top diplomat Wang Yi, President Xi Jinping, and newly appointed Defense Minister Li Shangfu). Meanwhile, Beijing's peace initiative became both promising and perilous as it reached out to warring sides and elsewhere (Europe and the Middle East). It remains to be seen how this new round of "Western civil war" (Samuel Huntington's depiction of the 1648–1991 period in his provocative "The Clash of Civilizations?" treatise) could be lessened by a non-Western power, particularly after drone attacks on the Kremlin in early May.

This article is extracted from <u>Comparative Connections</u>: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: Yu Bin, "China-Russia: War and Peace for Moscow and Beijing," *Comparative Connections*, Vol. 25, No. 1, pp 161-170.

Wang Yi's Trip to Moscow: via Europe

On the eve of the anniversary of the Ukraine conflict, finding a way out became the top priority of China's diplomacy. From Feb. 14–22, Wang Yi, newly appointed director of the Chinese Communist Party (CCP) Office of the Foreign Affairs Commission, traveled to France, Italy, Hungary, and Munich where he joined the 59th Munich Security Conference (MSC). Moscow was Wang's last stop. In meetings with three European leaders (French President Macron, Italian President Mattarella, and Hungarian PM Orban), Wang held "in-depth" exchanges regarding the Ukraine conflict.

In Munich, Wang delivered a keynote speech titled "Build A Safer World," which reiterated many of China's previous stances regarding the Ukraine conflict. "China is not a directly involved party, did not choose to be a bystander or add fuel to the fire, still less exploit the crisis," said China's top diplomat. Wang also chose the moment to reveal that China would soon release <u>a position paper</u> on political solutions to the Ukraine crisis. In Munich, Wang also met with Ukraine Foreign Minister Dmytro Kuleba at the latter's request on the MSC sidelines. "China does not want to see the crisis being prolonged and escalated," Wang told Kuleba who was briefed on key elements of China's peace plan.

Wang's European itinerary had at least two purposes. The first was to seek European support for a peaceful settlement to the Ukraine crisis. China believed that Europeans were hardest hit by the war, though they went along with the US. Their position was crucial for the formal launch of China's peace proposal at the one-year anniversary of the invasion. Not all European countries were receptive to China's views. France, Italy, and Hungary, however, were considered more "independent" from Washington, according to Chinese calculations. Munich was also a convenient place to interact with Ukrainian diplomats.

Wang's second goal in Europe was to stabilize Euro-China relations, which had been bumpy in the past few years even before the Ukraine crisis thanks to Biden's alliance-building effort. In the last part of his MSC speech, Wang defined a multilateral world in which Europe and China were "two large powers, two large markets, and two civilizations." And they should choose dialogue/cooperation over hostile camps, and peace/stability over a new cold war.

During his two-day stay in Moscow (Feb. 21-22), Wang held talks with Russian counterpart Nikolai <u>Patrushev</u>, as well as Foreign Minister <u>Lavrov</u> and President <u>Putin</u>. In the Kremlin, Wang reminded his host that his visit was <u>urged</u> ("as soon as possible") by the Russian president during his video talks with President Xi at the end of 2022.

Putin started with his "best wishes to comrade Xi Jinping," a Soviet-style reference for intracommunist exchanges. He also spoke highly of relations with China in economic, diplomatic, and security areas, stressing that the two countries provided an important "stabilizing" effect for the "complicated" international relations. The Russian president then reminded Wang of "an earlier agreement" for President Xi's state visit to Russia and hoped that Xi would come once his domestic agenda (annual parliamentary meeting in March) was done.



Figure 1 Russia President Vladimir Putin meeting China Foreign Minister Wang Yi at the Kremlin in Moscow, Russia on Feb. 22, 2023. Photo: Tass

Wang did not directly respond to Putin's reminder of Xi's next visit to Moscow, according to the readouts of both governments. Instead, Wang had "an <u>in-depth exchange</u> of views on the Ukraine issue" with Putin, during which the top Chinese diplomat stressed a "<u>dialectic</u>" discourse of turning crisis into opportunities. "Although the crisis constantly makes itself felt, crises offer opportunities, and opportunities may turn into crises," remarked <u>Wang</u>. Regardless of the specifics of the Wang-Putin meeting, the Chinese envoy "<u>appreciated</u> Russia's reaffirmation of its readiness to solve problems through dialogue and negotiations." Wang left Moscow without an official joint statement with his Russian host. His visit, nonetheless, kicked off a series of efforts by China to promote dialogue and peace around the world. On Feb. 21, when Wang arrived in Moscow, China released a "<u>Global Security</u> <u>Initiative Concept Paper</u>," calling for a "common, comprehensive, cooperative and sustainable security," which respects "the sovereignty and territorial integrity of all countries."

Two days after Wang returned to China from Russia, China unveiled its formal "<u>Position</u> <u>Paper</u> on the Political Settlement of the Ukraine Crisis." In addition to the major principles China articulated in the past year (#1-6), the 12-point paper specifies several relevant issues such as nuclear power plant security (#7), preventing the use of nuclear, chemical, and biological weapons (#8), grain exports (#9), stopping unilateral sanctions (#10), postwar reconstruction (#12), etc.

The immediate reaction to Beijing's 12-point peace proposal indicated a wide spectrum of opinions: from Washington's outright rejection, European skepticism, and UN endorsement (Secretary General Guterres' office considered China's plan an "important contribution"), to Russia's "polite but tepid" reaction. Russian Presidential Spokesman Dmitry Peskov said the Kremlin would study China's plan "with great attention...and its details should be a subject matter of thorough analysis." Meanwhile, "the special military operation continues. We are moving towards achieving the goals that were set," added Peskov. Kyiv did not reject it as President Zelenskyy saw "some merit in the Chinese peace plan," and wished to meet with President Xi. Still, he stressed that unless China's plan included a proposal for the withdrawal of Russian troops from Ukraine's territory, it would be unachievable.

While Wang Yi was traveling through Europe, more advanced and heavy NATO weapons were pouring into Ukraine, including powerful German Leopard 2 tanks, <u>US Patriot batteries</u>, etc. At the MSC, Vice President Kamala <u>Harris</u> pledged to support Ukraine "for as long as it takes." Shortly before Wang Yi got to Moscow, President <u>Biden</u> made a surprise visit to Kyiv, his first trip to the country since the war begin. In the Ukrainian capital, Biden announced a <u>halfbillion dollars</u> in new military assistance, which was quickly followed by \$1.25 billion in economic assistance to Ukraine by US Treasury Secretary <u>Yellen</u>. The stage was being set for the much- discussed Ukrainian counteroffensive, which was <u>ready</u> by the end of April.

"March Madness": From Middle-eastern Mediation to Moscow Meeting

China is not directly involved in the Russia-Ukraine conflict. A year into the war, the mood many Chinese observers among was increasingly pessimistic for the near future of the conflict. Sr. Col. Zhou Bo (周波) was alarmed at the MSC where Western participants overwhelmingly supported Ukraine's war effort and paid minimum attention to any alternative. contrast, China's public space was In increasingly divided, with visible skepticism on China's relations with Russia and the peace initiative, particularly in online chatrooms. Given these constraints, China's peace initiative was almost impossible to achieve. The alternative to doing nothing, however, was worse if the Ukraine conflict widened and escalated. For many in China, it was inconceivable for any side to win a conflict between the world's largest and most powerful military alliance (NATO) and perhaps the largest nuclear arsenal (Russia). Russia's possible defeat, too, would be a strategic nightmare as China may well be the next target for NATO.

Beijing, therefore, continued its effort. In early March, newly appointed Foreign Minister Qin Gang met Russian Foreign Minister Lavrov in New Delhi on the sidelines of the G20 Foreign Ministers meeting. In addition to signing the 2023 Foreign Ministerial Exchange program, Qin went as far as to offer a "comprehensive overview" of China's position on the Ukraine issue. He also reminded Lavrov that "broad agreements" were reached during Wang Yi's recent visit to Moscow. Lavrov reportedly appreciated China's "objective, impartial and constructive role" and said that Russia was committed to dialogue and negotiations.

China's peace initiative got an instant boost from an unlikely source on March 10 when Iran and Saudi Arabia surprised the world by announcing from Beijing that the two archrivals would restore diplomatic ties immediately. In a trilateral joint statement with China, the three sides reaffirmed the principles of sovereignty and noninterference in the internal affairs of states. The Saudi-Iranian rapprochement was followed by a series of conflict de-escalation, fence-mending efforts, and goodwill reach-out in the greater Middle East, including Egyptian-Turkish rapprochement (March 18), Syrian President <u>Assad</u>'s visit to UAE (March 19), <u>Syria-Saudi</u> <u>talks</u> for reopening ties (March 23), <u>Egyptian-</u> <u>Syrian talks</u> to reopen ties (April 1), Saudi-Houthi ceasefire talks in <u>Yemen</u> (April 9), etc. All of this was not to isolate Israel. Shortly before the announcement of the Iran-Saudi deal, China's special envoy to the Middle East <u>Zhai</u> <u>Jun</u> visited Israel for talks with Israeli Foreign Minister Eli Cohen and his colleagues.



Figure 2 Wang Yi, Director of the Office of the Foreign Affairs Commission of the CCP, presides over the closing meeting of talks between a Saudi delegation and an Iranian delegation in Beijing, March 10, 2023. Photo: Xinhua

China drew a direct line between such efforts and those for the Russia-Ukraine conflict, as "the only major power that befriends everybody thanks to its policy of non-alliance and noninterference," remarked Sr. Col. Zhou regarding the Iran-Saudi case on the 20th anniversary of the US war in Iraq. China, meanwhile, had "strategic partnership relations with all 12 ME countries." According to Wang Di (王镝, director of Asia-African Bureau of the Chinese Foreign Ministry), President Xi began this last round of diplomacy ice-breaking for intra-Arabic/Muslim peace during the first China-Arab States Summit in Riyadh. "Like in the Middle East, China is the only major power that can play a constructive role in Russo-Ukrainian war. All other major powers have already sided with Ukraine. Beijing is not allied with Moscow, and still friendly with Kyiv. China has Russia's trust even though it has not provided any military support," added Zhou Bo. "The situation is much more complicated in Ukraine...but there is no turning back," said Zhou.

President Xi's Moscow visit on March 20-22 was said to have three goals of promoting mutual understanding, cooperation, and peace. It was Xi's ninth visit to Russia in 10 years as China's president and his 41st gathering with President Putin. The two heads of state went to an informal meeting shortly after Xi's arrival in the late afternoon that lasted until late evening, noted a Chinese source. The Ukraine crisis was the focus. "The more difficult the situation is, the more space should be left for peace; the more acute the contradictions are, the more we cannot give up efforts for dialogue," Xi was quoted as saying according to China's news release. "We have carefully studied your proposals...and we remain open to negotiations," responded Putin before going into the closed-door session. The meeting apparently went well, during which Xi invited Putin to visit China for the 3rd Belt and Road Forum for International Cooperation.

The second round of talks on the following day (March 21) lasted for three hours with a "meaningful and frank" small session and an <u>expanded meeting</u> with functionaries of various fields. Xi and Putin then co-chaired the signing of <u>a dozen documents</u>, including the "Joint Statement on Deepening the Russian-Chinese Comprehensive Partnership and <u>Strategic</u> <u>Cooperation</u> for a New Era" and "the Joint Statement on the Plan to Promote the Key Elements of Russian-Chinese <u>Economic</u> <u>Cooperation until 2030</u>."



Figure 3 Russia-China talks in a restricted format. Photo: Mikhail Tereshenko/TASS

The long "strategic cooperation statement" (9,230 Chinese characters) began with a reiteration that the China-Russia relationship transcended "the kind of military-political alliance during the Cold War...and has the nature of no-alliance, no-confrontation and not targeting any third party." It was a "strategic choice" made by China and Russia based on their respective national interests and "was not to be swayed by external forces." The long document covered nine main areas of cooperation including foreign affairs. security/nuclear policies, economics. scientific/education, climate, regional issues (Korea, Middle East, Africa...), and societal exchanges. The last part (#9) focuses on the Ukraine crisis. "The Russian side spoke positively of China's objective and fair stance on the Ukraine issue," said the statement. Russia also "reaffirmed its commitment to resuming the peace talks as soon as possible, which China appreciates."

The joint statement for economic cooperation offered only broad strokes of the seven-year span (2023-2030). It did, however, prioritize improving the business climate (#1 clause), presumably on the Russian side, and key transportation infrastructure (#2), including rail/highway bridges, custom clearance procedures, cargo distribution centers, etc. They had been plagued by a surge in commodity exchange in the post-COVID era and because of Western sanctions. The statement also called for a "gradual increase" of the use of local currencies (RMB and ruble) in bilateral trade (#3). Rapid de-dollarization, which was already a fact of life for Russia, was not in the interest of China. With globalized outreach and huge foreign reserves in US dollars (\$3.1839 trillion by the end of March 2023), Beijing favors a gradual process. Already, two-thirds of payments of bilateral trade were made in rubles and yuan. Another notable issue was the "industrial cooperation" (#7) for "standards matching" in various technical areas. Since the start of the Ukraine conflict, Chinese investors were rapidly filling the vacant manufacturing facilities abandoned by other foreign investors, particularly in the automobile and home appliance sectors.

The economic statement did not mention <u>a \$165</u> <u>billion investment package</u> of 80 "<u>important</u> <u>and promising</u>" bilateral projects (Putin's words), which was <u>discussed</u> in the past year by the two governments. In a separate meeting on the morning of March 21, Russian PM Mikhail <u>Mishustin</u>, together with all seven deputy PMs and almost all ministers, discussed the large "investment portfolio" with President Xi. It was apparently part of the fine-tuning of the "seven-year" economic cooperation statement until 2030. Xi urged Mishustin to visit China "at any convenient time" so that he would get acquainted with China's new prime minister, Li Qiang. After decades of slow growth in Russia's vast Siberian and Pacific coast, China preferred a safer and steadier investment strategy for the longer term, which was the hidden theme of the economic cooperation statement.

"Moscow and Beijing have set far-reaching and ambitions goals for the future," remarked <u>Putin</u> at the state dinner after two rounds of talks with his Chinese counterpart. "We have just signed an agreement on boosting bilateral relations that are entering a new era, and on developing economic cooperation until 2030," added the Russian president.

The Ukraine-China Connection and Constraints

Shortly after the Xi–Putin meetings in Moscow, the <u>Russian side</u> disclosed that Putin and Xi "did not discuss Kyiv's peace formula on the Ukrainian settlement during talks in Moscow." Kyiv, however, was part of China's mediation matrix. On March 6, China provided 200,000 euros (\$220,000) to the <u>IAEA</u> for technical assistance to Ukraine for the safety and security of nuclear power plants and other peaceful nuclear facilities in Ukraine. The safety of these nuclear infrastructures was #7 point in China's peace plan.

Four days before Xi's Russia visit (March 16), Chinese FM <u>Qin Gang</u> talked over the phone to Ukraine counterpart Kuleba. Qin expressed concern that the crisis has dragged on and escalated and may even spiral out of control," and hoped that Ukraine and Russia would keep alive the hope of dialogue and negotiation while not closing the door to a political settlement no matter how difficult and challenging it may be.

Kuleba "<u>underscored</u>" the importance of Zelenskyy's peace formula. He also thanked China's humanitarian assistance to Ukraine and noted that China's position paper on the Ukraine crisis showed its sincerity. Additionally, Kuleba congratulated China's success in mediating the Saudi-Iran peace six days before, according to <u>a</u> <u>news release</u> by the Chinese Foreign Ministry. The surprise turnaround of the decades—if not centuries—of intra-Muslim hostility as a result of Beijing's proactive mediation did not escape Kyiv's attention. For Beijing's principled support of Ukraine sovereignty, Kuleba reciprocated with Ukraine's commitment to the one-China principle and respect for China's territorial integrity. This was quite a turnaround from nine months ago when <u>Zelenskyy</u>, in a video address to the Shangri-La Dialogue, called for international support for Taiwan before China attacks.

Returning from his Russia visit, President Xi **Jinping** told visiting French President Macron that he was willing to talk to Zelenskyy when the "conditions and time are right." Twenty days later, Xi and Zelenskyy talked over the phone for "long and meaningful" conversation (Zelenskyv's words), the first since Russia's "special military operation" began. Ukrainian sources described the hour-long talk as "an exchange of views" as the two presented their peace plans. They also "discussed a full range of topical issues of bilateral relations," as well as "the ways of possible cooperation to establish a just and sustainable peace for Ukraine," said Zelenskyy's presidential <u>website</u>. "I believe that our conversation today will give a powerful impetus to the return, preservation and development of this dynamic at all levels," added Zelenskyy. '

On the same day, China announced that Li Hui, former Ambassador to Russia (2009-2019), would be dispatched as China's special representative on Eurasian Affairs to Ukraine and other countries "to have in-depth communication with all parties on the political settlement of the Ukraine crisis." Zelenskyy appointed Pavlo Riabikin as Ukraine's Ambassador Extraordinary and Plenipotentiary to China.

Russia's reaction to the Xi-Zelenskyy phone call was quite reserved. "We have taken note of China's willingness to make efforts to launch a negotiation process," said Russian Foreign Ministry Spokeswoman Maria Zakharova in a statement. She then tried to highlight the contrast between Moscow and Kyiv: "Our fundamental approaches are in line with the position paper that the Chinese Foreign Ministry released on Feb. 24," while "the Kyiv regime has been rejecting all reasonable initiatives aimed at finding a political and diplomatic solution to the Ukrainian crisis," said Zakharova. The Russian diplomat also reminded the audience that the head of the Ukraine Parliament Committee on International Affairs Alexander Merezhko recently dismissed claims that Taiwan is part of China. "We are ready to welcome anything that could help bring an end to the conflict in Ukraine," remarked Kremlin spokesman Dmitry <u>Peskov</u> the following day. The Xi-Zelenskyy talk, however, was "a sovereign matter...that pertains exclusively to their bilateral dialogue," added Peskov. He also told *TASS* that Putin had no plans for any communications with Xi in the near future.

In contrast to Russia's guarded tone for the Xi-Zelenskyy talk, the US reaction was quite positive. "We think that's a good thing," National Security Council spokesman John Kirby said, a sharp turnaround from his "we-wouldnot-describe-it-as-a-'peace mission" comment on Xi's Moscow trip a month before. A week later, Secretary of State Antony Blinken weighed in by saying that "as a matter of principle, countries, particularly countries with significant influence like China, if they're willing to play a positive role in trying to bring peace, that would be a good thing." Both, nonetheless, urged China to move further to the Ukraine side. Thus, by the end of April, Beijing found itself not just between a rock and a hard place but being dragged by two powerful centrifugal forces in opposite directions.

And this was just the beginning.

China's New Defense Minister in Moscow

While reaching out to Moscow's opponents in Ukraine, Beijing tried to maintain normal relations with Moscow, particularly in mil-mil exchanges. On April 16-19, China's newly appointed Defense Minister Li Shangfu (李尚福) visited Russia. "This is my first foreign visit after I became Defense Minister of China. I specifically chose Russia, so as to emphasize the special nature and strategic significance of our bilateral relations," said Gen. Li in his meeting with President Putin shortly after he arrived in Moscow. As former director of the Equipment Development Department of the PLA and a PhD in aerospace engineering, Li's promotion indicated PLA's prioritization of aerospace in its defense modernization program. And his threedav visit to Russia was a "packed and extensive program."



Figure 4 Russia President Vladimir Putin's meeting with China's Defense Minister Li Shangfu in the Kremlin on April 16, 2023. Photo: RIA Novosti

Li's visit was a follow-up to the Xi-Putin summit in March when the two heads of state "discussed also military-to-military cooperation," according to Putin. They agreed to enhance communication and coordination of the two militaries. In his meeting with his Russian counterpart Shoigu, Li said that the visit "would take military cooperation between the two countries to 'a new level.'" Li, however, also defined the mil-mil relationship as one that was "beyond the Cold War-era military and political alliances" between China and the Soviet Union, but "hinges on the principles of non-alignment and non-confrontation with third parties." In his part, <u>Shoigu</u> emphasized that "[I]t's crucial that our countries similarly assess the substance of the ongoing transformation of the global geopolitical landscape." Interestingly, both Li and **Shoigu** were officially sanctioned by the US, and Li entered the "America's Adversaries" list 40 months before Shoigu's turn (Feb. 25, 2022) as a result of his role in acquiring Russia's SU-35 fighter-bombers and S-400 SAM systems.

Neither Russia nor China disclosed specifics of the "new level" in their mil-mil exchanges during Li's visit except a decision to have <u>20</u> <u>senior PLA officers</u> trained at Russia's Military Academy of the General Staff in Moscow in the coming fall. China's internet chatrooms <u>speculated</u> that the goal was to learn from Russia's fresh lessons in its "special military operation" in Ukraine. Meanwhile, normal milmil programs went ahead, including the second joint naval drill with South Africa codenamed <u>Mosi-2</u> on Feb. 22-27 and a joint naval drill with Iran code-named "<u>Security Bond-2023</u>," in the Gulf of Oman on March 15-19.

Between War and Peace: from Leo Tolstoy to Mark Milley

The "normalcy" in Russia-China mil-mil exchanges occurred against the backdrop of an increasingly dangerous and unpredictable Ukraine conflict. Any peace process could be "strenuous," warned Putin's spokesman Peskov in February when China kicked off its mediation effort. By late April, Ukraine was on board after a "long and meaningful" phone call between Xi and Zelenskyy. A week later (May 3), two drones attacked the Kremlin and Russia blamed Ukraine for the "assassination attempt on Putin." Dmitry Medvedev, deputy chairman of Russia's Security Council and Russia's former president, went as far as to claim that the attack left Russia with no options other than the physical elimination of Zelenskyy "and his clique." Both Ukraine and the US denied that they had anything to do with the attack. Meanwhile, China called for restraint by all sides. Its mediation effort, however, ceased to be an issue in the public domain if it has not evaporated entirely, at least for the time being.

Beijing, nonetheless, said it would "continue to work with the international community to play a constructive role for the political settlement of the Ukraine crisis." Russia's "<u>proportionate</u> <u>response</u>" to Kyiv's "terror action," however, would unfold after the annual V-D parade in Moscow on May 9, which would surely run into Ukraine's long-anticipated spring counteroffensive.

Given the sudden turn of events, the only remaining optimist was Henry Kissinger who turns 100 years old in late May. "Now that China has entered the negotiation, it will come to a head, I think, by the end of the year," predicted <u>Kissinger</u> in a recent interview with Ted Koppel. Between now and the year-end (if peace is indeed comes), more casualties will occur on both sides as the drone attacks on the Kremlin are pressure-cooking the already explosive situation.

Shortly before the drone attacks on the Kremlin, Gen. Mark <u>Milley</u>, chairman of the Joint Chiefs of Staff, offered perhaps the most sober assessment of the Ukraine crisis in the West. In a *Foreign Affairs* interview titled "How to Avoid a Great-Power War," the top US soldier noted that the war in Ukraine "has essentially been stalemated." The possibility of escalation, however, "is always there" even though "Russia does not want a war with NATO or the US and NATO and the US don't want a war with Russia," added Milley.

At the strategic level, Milley seemed to be distancing himself from Washington's "hysterical China threat" (the interviewer's phrase) and academia's alarmists, such as Harvard's Graham <u>Allison</u> ("Xi and Putin Have the Most Consequential Undeclared Alliance in the World," *Foreign Policy*, March 23, 2023). Instead, Milley saw a *de facto* "tripolar world" and Washington should "make sure that Russia and China don't form some sort of geostrategic, political, military alliance against the United States."

With this sense of the different roles of the three huge powers being played out in the Ukraine crisis, Milley depicted a more independent China that does not want to side with either power in the conflict but is searching for a compromise. Ukraine President Zelenskyv, too, would agree with Milley that "China backing Russia in Ukraine would mean World War III," as he claimed in February. As stated earlier in this piece, both Zelenskyy and Foreign Minister Kuleba understood the stake of the delicate peace across the Taiwan Strait whose further deterioration would leave Beijing with little choice but to throw its full weight behind Russia. This was what this author called some years ago a case of "reluctant allies."

For Milley, great power war meant "horrific and unbelievable" destruction of human life, as he recalled his father's experience in Iwo Jima, where 7,000 Marines died and 34,000 were wounded in 19 days. This, however, was overshadowed by the death of 40 million Soviets, 30 million Chinese, and 20 million Japanese. "[A]ll of us should recommit ourselves to preventing such a horrific catastrophe and try to resolve differences in means other than the use of the levels of violence that come with great-power war," remarked Milley.

With that, Gen. Milley essentially echoed perhaps the greatest Russian novelist, Leo Tolstoy's famous line: "Who is right and who is wrong? No one! But if you are alive—live: tomorrow you'll die..." in his timeless *War and Peace* (1865-69).

The Russian characters in Tolstoy's narrative had little choice but to embrace Napoleon's invasion of Russia. So did Milley's father after Pearl Harbor. Statesmen of the 21st century, however, face dire choices, not necessarily between war and peace, but between a ceasefire and/or peace that nobody likes and a greatpower war that would leave no winners.

CHRONOLOGY OF CHINA-RUSSIA RELATIONS

JANUARY—APRIL 2023

Jan. 9, 2023: China's newly appointed Foreign Minister Qin Gang <u>holds</u> a telephone talk with Russian counterpart Lavrov. Qin stresses that Chinese-Russian relations are based on the principles of non-allegiance, and nonconfrontation, while not targeting any third party.

Jan. 12, 2023: Sino-Russian trade in 2022 <u>increases</u> by 29.3% to \$190.8 billion, according to the Chinese customs office.

Feb. 2-3, 2023: Chinese Deputy Foreign Minister Ma Zhaoxu <u>travels</u> to Moscow for consultation with Russian counterparts Andrei Rudenko and Sergei Vershinin. They engage in "<u>deep</u> <u>exchange</u>" regarding global and regional issues. He also meets Russian FM <u>Lavrov</u> and the two call for "an early resumption of tourist trips between the two countries."

Feb. 8, 2023: China's Special Envoy on Afghan Affairs Yue Xiaoyong <u>visits</u> Russia and holds talks with Russian counterpart Zamir Kabulov in Moscow. They exchange in-depth views on the situation in Afghanistan, China-Russia coordination on Afghanistan, and other topics.

Feb. 20, 2023: Zhang Jun, China's Permanent Representative to the UN, <u>says</u> that China supports Russia's draft resolution submitted to the UN Security Council to investigate sabotage of the Nord Stream gas pipeline in September 2022. Russian submits a draft UNSC resolution to investigate the bombing following publication of Seymour <u>Hersh</u>'s article on Feb. 8, 2023.

Feb. 19, 2023: China's top diplomat Wang Yi <u>meets</u> Ukraine FM Kuleba at the latter's request on the sidelines of the annual Munich Security Conference.

Feb. 20-27, 2023: Russia, China, and South Africa hold second joint naval drill, *Mosi-2*, in the Indian Ocean off the coast of South Africa. Three South African ships were joined by two

Russian and three Chinese naval vessels. In November 2019, the three navies held the first joint naval exercises off Cape Town in waters of the Atlantic Ocean.

Feb. 21–22, 2023: Wang Yi, director of CCP's Office of the Foreign Affairs Commission, <u>visits</u> Moscow for talks with Russian counterpart Nikolai Patrushev, head of Russia's Security Council, Foreign Minister Lavrov, and President Putin.

Feb. 21, 2023: China <u>releases</u> a "Global Security Initiative Concept Paper," calling for common, sustainable security and sovereignty for all.

Feb. 24, 2023: China <u>issues</u> a 12-point "Position Paper on the Political Settlement of the Ukraine Crisis."

March 2, 2023: Foreign Minister Qin Gang <u>meets</u> Russian FM Lavrov on the sidelines of the G20 Foreign Ministers' Meeting in New Delhi.

March 6, 2023: China <u>announces</u> the contribution of 200,000 euros to the International Atomic Energy Agency (IAEA) for technical assistance to Ukraine for the safety and security of nuclear power plants or other peaceful nuclear facilities in Ukraine.

March 15-19, 2023: China, Russia, and Iran <u>hold</u> a joint naval drill, code-named "*Security Bond-2023*," in the Gulf of Oman. Two Russian ships and one Chinese vessel join the exercises.

March 16, 2023: Chinese FM Qin Gang <u>has</u> a phone call with Ukrainian FM Kuleba. Qin reportedly says that he hopes both sides would "keep alive the hope of dialogue and negotiation and will not close the door to a political settlement."

March 20-22, 2023: President Xi Jinping <u>pays</u> a state visit to Russia and holds "<u>long, sincere and friendly talks</u>" with President Putin as well as talks with PM Mikhail <u>Mishustin</u>. A dozen

documents are signed, including statements of <u>strategic</u> and <u>economic</u> cooperation.

March 31, 2023: China's UN Ambassador <u>Geng</u> Shuang calls on all nuclear-weapon states to effectively reduce the risk of nuclear war. He also calls for the abolition of nuclear sharing arrangements, no deployment of nuclear weapons abroad by nuclear weapons states, and the withdrawal of nuclear weapons deployed aboard. Geng cites China's peace proposal for the Ukraine conflict that opposing armed should not attack nuclear power plants or other peaceful nuclear facilities.

April 5-7, 2023: China and France <u>agree</u> to work for a peaceful solution to the Ukraine conflict during French President Macron's three-day visit to China. "The two countries support any effort to foster a restoration of peace in Ukraine on the basis of international law and the goals and principles of the Charter of the United Nations," reads <u>Article 10</u> of their joint statement.

April 13, 2023: Russian Foreign Minister Lavrov <u>meets</u> with Chinese counterpart Qin Gang in Samarkand of Uzbekistan on the sidelines of the SCO annual foreign ministerial meeting. Lavrov describes relations with China as "robust and resilient." Prior to this, the two foreign ministers joined Iranian and Pakistani for the 2nd informal meeting on Afghanistan. A joint statement is released calling for more international cooperation on the Afghan issue.

April 16-19, 2023: China's new Defense Minister Li Shangfu (李尚福) <u>visits</u> Russia for talks with Russian counterpart Sergei Shoigu. President <u>Putin</u> meets Li in the Kremlin shortly after Li's arrival in Moscow.

April 23, 2023: Vice FM Ma Zhaoxu <u>holds</u> a "diplomatic consultation" with Russian First Deputy FM Vladimir Gennadievich Titov in Beijing. They exchange views on the current international situation, the foreign policies of both countries and international and regional issues of mutual interest and concern.

April 26, 2023: Chinese FM Qin Gang <u>chairs</u> the fourth foreign ministerial meeting with five Central Asian counterparts in Xi'an, China and holds separate meetings with them. Qin tells them that China will firmly support Central Asian countries in safeguarding national sovereignty, independence, security, and territorial integrity, support the countries in independently choosing development paths in light of their national conditions, and oppose any external interference in the internal affairs of Central Asian countries. Qin also announces that the <u>first China–Central Asia Summit</u> will be held in Xi'an in May.

April 28, 2023: India <u>chairs</u> the annual SCO defense ministers' meeting in New Delhi. The SCO defense chiefs pledge to boost strategic communication, focus on consensus, and expand SCO cooperation and jointly safeguard regional security and stability.

April 30: 2023: Ukraine's Deputy FM Andriy Melnyk <u>says</u> that China could emerge as a mediator between Russia and Ukraine. Melnyk, former Ukrainian ambassador to Germany, makes the point to Germany's Funke media group.

PACIFIC FORTUR CONNECTIONS

A TRIANNUAL E-JOURNAL OF BILATERAL

RELATIONS IN THE INDO-PACIFIC

JAPAN-SOUTHEAST ASIA RELATIONS

GREAT POWER POLITICS: THE INDO-PACIFIC, SOUTHEAST ASIA, AND THE GLOBAL SOUTH

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In 2023 marks the 50th Year of ASEAN–Japan Friendship and Cooperation, and there are expectations that their relationship will be upgraded to a "comprehensive strategic partnership." Given the good diplomatic, security, and economic relations between Japan and Southeast Asian states, ties are likely to be strengthened. However, Japan is now taking a more competitive strategy toward China, as indicated in the three security documents issued in December 2022, while Southeast Asian states generally continued the same strategic posture by which they have good relations with all great powers in the Indo–Pacific region. Also, while Japan issued the "New Plan for the Free and Open Indo–Pacific" that emphasizes the "Global South," it remained silent about ASEAN centrality and unity in the Indo–Pacific, and it was unclear what roles Japan expects ASEAN to play. Although both Japan and Southeast Asian states need to adjust their roles in the Indo–Pacific region, it remains to be seen whether the 50th anniversary becomes an opportunity for clarification.

This article is extracted from <u>Comparative Connections</u>: A Triannual E-Journal of Bilateral Relations in the Indo-Pacific, Vol. 25, No. 1, May 2023. Preferred citation: Kei Koga, "Japan-Southeast Asia Relations: Great Power Politics: The Indo-Pacific, Southeast Asia, and the Global South," *Comparative Connections*, Vol. 25, No. 1, pp 171-182.

Golden Anniversary

The year 2023 marks <u>the 50th Year of ASEAN-Japan Friendship and Cooperation</u>. In 1973, Japan and ASEAN held a dialogue to resolve trade frictions regarding Japan's export of synthetic rubber, which would likely have marginalized the value of Southeast Asia's natural rubber. The "ASEAN-Japan forum on synthetic rubber" eventually mitigated bilateral tensions and elevated them to "dialogue partner" status in 1977. This anniversary is particularly important, considering that it's an opportunity to strengthen Japan-ASEAN ties as US-China strategic competition in the Indo-Pacific region intensifies.

The prospect is positive. Japan has consistently supported ASEAN as a regional institution in the Indo-Pacific since ASEAN issued the "ASEAN Outlook on the Indo-Pacific" (AOIP) in 2019. In past official statements of the Quad, including the recent summit in Tokyo in May 2022, Japan always showed strong support for ASEAN unity and centrality, and Japan started to emphasize the importance of synthesizing the "Free and Open Indo-Pacific" (FOIP) and AOIP from 2020-2021. Japan and ASEAN officially issued the ASEAN-Japan Joint Statement on AOIP in 2020, and Japan focused on implementation of FOIP and AOIP, with four priority areas—maritime cooperation, connectivity, UN sustainable development goals 2030, and economic and other possible areas of cooperation—rather than pushing its own liberal political values such as democracy and human rights on Southeast Asian countries.

The Japan-ASEAN Vision Statement is expected to be issued in December 2023 as has become tradition following the 30th anniversary in 2003 and the 40th in 2013. Their relationship would also likely be upgraded to a "comprehensive strategic partnership," a status that only three major dialogue partners-China, Australia, the United States-have attained. To further strengthen relations, Japanese nongovernmental committees were organized by Japanese Ministry of Foreign Affairs (MOFA) as well as jointly by METI and JETRO (Ministry of Economy, Trade and Industry and Japan External Trade Organization) while the interministerial committee also started discussion in February 2023. Additionally, a Japanese private sector group, Keizai Doyukai (Japan Association of Corporate Executives), submitted the report of the 48th ASEAN-Japan Business Meeting, emphasizing that the relationship between Japan and ASEAN is no longer that of developeddeveloping countries given ASEAN members' rising economic status and Japan's relative economic decline. The political and economic momentum is therefore strong.

Both Japan and Southeast Asian states recognize the importance of redefining and enhancing their ties. This is particularly so because intensification of US-China strategic competition could narrow their strategic choices by increasing the risk of entrapment in great power competition. In this context, Japanese Foreign Minister Hayashi Yoshimasa expressed Japan's support for mainstreaming of the AOIP Februarv 2023 ASEAN in as pushes implementation of priority areas in the AOIP by adopting the "ASEAN Leaders' Declaration on mainstreaming Four Priority Areas of the AOIP Indo-Pacific Within ASEAN-Led the on Mechanisms" in November 2022.



Figure 1 Japanese Foreign Minister Hayashi meets the recently-appointed Secretary-General of ASEAN, Dr. Kao Kim Hourn. Photo: Ministry of Foreign Affairs Japan

Despite these positive developments, there are uncertainties in the Indo-Pacific region that neither Japan nor Southeast Asian states can dispel, which will require strategic adjustment from both sides.

Southeast Asia in Japan's New Security Strategy and New Plan for FOIP

Arguably, the most significant change in Japanese policy is the Kishida administration's issuance of three security documents in December 2022, namely the <u>National Security</u> <u>Strategy</u> (NSS), <u>National Defense Strategy</u> (NDS), and <u>Defense Buildup Program</u>. These documents

present important changes in Japanese defense policy that clarify its intention to drastically increase defense capabilities, including the acquisition of counterstrike capabilities. In terms of Japan–Southeast Asia relations, which are mainly focused on the diplomatic aspect of Japan's security policy, the NSS is the document to examine as it explains Japan's strategic perspective. Nevertheless, there is not much description of Southeast Asia and ASEAN in the NSS. In fact, the document is not quite sufficient in explaining its strategic vision, and instead, the NSS "Indo–Pacific" is narrowed to Northeast Asia, particularly China, Russia, and North Korea.

Given the steady increase in Japan's threat perceptions toward these neighboring states, this strategic priority is understandable. Nevertheless, compared with the 2013 NSS that discussed diplomatic posture toward regional states and institutions, including Southeast Asian states and ASEAN, the 2022 NSS only described ASEAN as one of many frameworks, with which Japan aims to widen its networks and enhance deterrence in general. The NDS puts more emphasis on Japan's effort to support ASEAN-led institutions as well as ASEAN's institutional principles, ASEAN centrality and unity, while noting that the promotion of capacity-building and transfer of defense equipment is necessary to empower Southeast Asian states' deterrence capabilities. In this sense, it becomes unclear what Japan expects of Southeast Asia in its overall security strategy as well as the FOIP vision.

Prime Minister Kishida Fumio made a speech, "The Future of the Indo-Pacific: Japan's New Plan for a 'Free and Open Indo-Pacific'" in New Delhi, on March 20, 2023. This essentially built on his earlier speech in the United States in January 2023 that highlighted the necessity of engaging with the "Global South." The Delhi speech also complemented the three security documents, clarifying Japan's strategic posture in the Indo-Pacific region. Japan expressed its recognition of the different strategic perspectives existing in the "Global South." While many in the United States and its allies/partners believe that international rules and norms based on liberal values should be defended to maintain the existing international law. Global South states see those values differently because of differing historical and cultural backgrounds. This resonates with Southeast Asian states' long-held skepticism about "political values" arguments, such as the dichotomic classification between democracy and autocracy, that have been pushed by the United States. Therefore, Japan's new statements would likely be well received in Southeast Asia.

Yet even with the new plan for the FOIP, the Kishida administration has yet to be sufficiently clear in articulating Japan's expectations of Southeast Asia. Admittedly, Japan has been consistent in supporting ASEAN and ASEAN-led institutions. However, while Kishida's January speech in the United States describes ASEAN as "the closest and most crucial partner" in the Global South, the New Plan for FOIP does not indicate ASEAN as such. Instead, Kishida mentioned Southeast Asia as one of the three most important regions (the other two are South Asia and the Pacific Islands) in terms of "multilayered connectivity" that consists of soft and hard connectivity. He was also silent about ASEAN centrality and unity in the Indo-Pacific region. In other words, although Kishida has seemingly situated ASEAN as the indispensable partner to manage Japan's Global South relations, he did not explain how ASEAN would be helpful for Japan.

Although Southeast Asian states did not react to these documents and plans immediately, if these issues are left unclear, they may believe that Japan's support for ASEAN centrality and unity in the Indo-Pacific region are inconsistent with its national strategy and only diplomatic rhetoric. Whether Japan will clarify the strategic role of ASEAN and Southeast Asian countries in the Indo-Pacific at the 50th anniversary of ASEAN-Japan relations is an important issue to monitor.

Diplomatic Relations: Ukraine War, Myanmar, and ASEAN Unity

Apart from these strategic perspectives, Japanese and Southeast Asian diplomatic relations remained positive. This is indicated by the fact that Japan was again considered the most trusted major power according to the annual survey conducted by the ISEAS-Yusof Ishak Institute, <u>The State of Southeast Asia</u> 2023. This positive relationship has been cultivated by Japan's ongoing contributions to Southeast Asia's socio-economic development, but at the same time, Japan under the Abe administration played an important strategic role as an alternative as US-China strategic competition intensified. This explains the presence of Southeast Asian leaders, namely Minister Cambodian Prime Hun Sen. Singaporean Prime Minister Lee Hsien Loong, and Vietnamese President Nguyen Xuan Phuc, at the state funeral of Abe Shinzo in September 2022 along with other Southeast Asian representatives, such as Indonesian Vice President Ma'ruf Amin, Thailand's Deputy Prime Minister Don Pramudwinai, Philippine Vice President Sara Duterte, and Malaysia's Senior Minister Mohamed Azmin Ali. This illustrates that Japan-Southeast Asia friendship exists in its own right.

states' Japan-Southeast Asian bilateral diplomatic relations also saw progress. Japan and Cambodia agreed on a Japanese Maritime Self-Defense Force (JMSDF) regular visit to the Ream base, which the United States has been suspicious about China's potential use. Also, in November 2022, they also decided to upgrade their relationship to the "comprehensive strategic partnership" since 2023 is the 70th anniversary of Japan-Cambodia relations. Also, Malaysia and Japan decided to upgrade their ties to a "comprehensive strategic partnership," expanding cooperation. their areas of Additionally, Thailand and Japan upgraded their relationship to a "comprehensive strategic partnership" to focus on three areas of cooperation, "(1) human resource development, regulatory reform, innovation, (2) Bio-Circular-Green (BCG) Economy and (3) infrastructure."

Overall, as Figure 1 shows, Prime Minister Kishida and Foreign Minister Hayashi have been actively meeting with counterparts in ASEAN member states except for Myanmar. At the same time, given the replacement of Defense Minister Kishi Nobuo by Hamada Yasukazu in August 2022 and given Japan's preparation of new security documents, there was less high-level defense diplomacy at the ministerial level. In November 2022, Japan's defense minister missed the ADMM-Plus for the first time, and Parliamentary Vice-Minister of Defense Onoda Kimi participated instead.

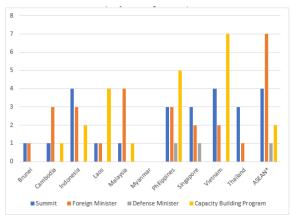


Figure 2 Diplomatic Interactions between Japan and Southeast Asian Countries (May 2022-April 2023) including ASEAN-related formal and informal meetings, such as the ARF and EAS. Source: Data from the Ministry of Foreign Affairs of Japan, compiled by the Author

That said, strategic concerns in the period of power-shift did not cease between Japan and Southeast Asian states, affecting ASEAN centrality and unity. First, there was strategic divergence between Japan and Southeast Asian states over the Ukraine War. Since the Russian invasion of Ukraine in February 2022, Japan has consistently called for the condemnation of Russia's unprovoked attacks that are a clear violation of international law, state sovereignty, and the territorial integrity of Ukraine; imposing strong economic sanctions on Russia; and coordinating Ukraine policy with G7 member states. Japan's firm stance derives from a simple logic: the international community should not reward an aggressor because doing nothing affects the international perception that a fait accompli invasion can be implemented, and that international rules and norms are not worth protecting. As a result, Japan's move aims to punish Russia.

ASEAN member states' postures diverge. While <u>Singapore</u> is essentially aligned with Japan's position, as well as that of the United States and its partners, other member states are more cautious about naming-and-shaming tactics and the imposition of economic sanctions. Vietnam, which has strong political and military relations with Russia, consistently <u>refrained</u> from condemning Russia's actions. Cambodia, Indonesia, and Thailand, the 2022 chairs of G20, APEC, and ASEAN, respectively, issued <u>the joint</u> <u>statement</u> in May 2022, inferring that they did not exclude any members from those international forums. Japan regularly reports its firm position and rationale on the Ukraine War through the summit and ministerial meetings, but it has not yielded any substantial changes in Southeast Asian stances.

Meanwhile, the Myanmar situation has been stalemated and affects ASEAN unity. Although supported ASEAN's "Five-Point Japan Consensus" agreed in April 2021, there has yet to be implementation. ASEAN has refused to invite the Tatmadaw to high-level meetings as the official representative of Myanmar. Japan also stopped diplomatic interaction with Myanmar, including the Mekong-Japan Summit Meeting in the past three years. Instead, Japan has issued a series of foreign minister's statements for returning to a democratic political system, including this <u>one</u> in February 2023, two years after the coup, while stopping its ODA except for socio-economic assistance for those affected by the coup with cooperation from UNICEF. It has had no affect: the Tatmadaw accelerated democratic backsliding, as illustrated by its execution of pro-democracy activists in July 2022 and the dissolution of the National League of Democracy (NLD) in March 2023.

The Tatmadaw strengthened ties with Russia and China, which do not condemn the coup and continue diplomatic and economic relations with Myanmar under the noninterference principle rather than cooperating with ASEAN or other external actors, such as Japan, to pursue the 5-Point Consensus. This Myanmar situation not only weakens ASEAN's internal unity but also provides Russia and China a tool to drive a wedge between ASEAN member states. ASEAN and Japan thus face a strategic dilemma. For ASEAN, engaging the Tatmadaw essentially justifies its political legitimacy and allows it to be criticized by advanced democracies, such as the United States and the EU. Yet, if it does not do so, the stalemate will likely continue. For Japan, economic sanctions and political isolation of the Tatmadaw is consistent with its values. However, this would provide the junta still more incentives and justification to align with Russia and China. Since a change in the current policy is costly for both, the diplomatic stalemate is likely to persist.

Security Relations: Defense Diplomacy and Japan-Philippines Relations

Japan's security engagement toward Southeast Asia remained strong. Japan continuously shows

its presence by dispatching defense assets to the region. Notably, the JMSDF conducted its annual "Indo-Pacific deployment, the naval Deployment 2022" (IPD22), sending vessels such as the DHH-183 Izumo, DD-110 Takanami, and DD-104 Kirishima to the Indo-Pacific region, including the Philippines, Vietnam, and the Pacific Islands. Also, as the defense diplomacy hiatus caused by COVID-19 is being eased, Japan conducted the 5th Japan-ASEAN Invitation Program on Humanitarian Assistance and Disaster Relief and the 4th Japan-ASEAN Ship Rider Cooperation Program under the "Vientiane Vision 2.0" in February and March 2023, respectively. The former was the first in two years (2021), and the latter was the first in four years (2019). From February to March 2023, Japan also participated in US-Thai-led multilateral joint military exercise, Cobra Gold 23, with Indonesia, Malaysia, South Korea, Singapore, Australia, China, and India.

Bilateral defense dialogue cooperation also made progress. In addition to the bilateral capacity-building program with Indonesia, Cambodia, and Malaysia, Japan engaged with the Philippines, Vietnam, and Laos most frequently in this period. The Philippines not received various capacity-building only the programs, such as Humanitarian Assistance/Disaster Relief (HA/DR) and the three-year project of Vessel Maintenance Cooperation, but also conducted the first US-Japan-Philippines trilateral defense policy dialogue to exchange views on common security challenges, including the maintenance of maritime security stability and the rules-based order. Additionally, Japan and the Philippines concluded terms of reference for HA/DR in February 2023 to simplify the process of military cooperation, such as the SDF's visit to the Philippines. Vietnam and Laos received a high number of capacity-building programs, such as cyber security, underwater UXO clearance, search and rescue, military medicine, and engineering.

Against this backdrop, Japan's creation of "<u>Official Security Assistance</u>" (OSA) in April 2023 will play an important role in shaping Southeast Asia's strategic environment. OSA was established based on the 2022 *NSS*, which enables Japan to provide "equipment and supplies" and "assistance for infrastructure development" such as satellite communication systems and radio communication systems, "to the countries with a view to strengthening their

operationally. The <u>target states</u> in FY2023 will be two Southeast Asian states, the Philippines and Malaysia, in addition to Bangladesh and Fiji. Japan and Southeast Asia maintained regular interactions and steadily developed bilateral defense cooperation with each Southeast Asian state. In 2022-2023, Japan conducted

capacities and improving their deterrence

capabilities." While ODA's original focus

remains on socio-economic development, OSA

is a grant for defense-related capacity-building

to developing states, which would make defense

capacity-building easier administratively and

state. In 2022–2023, Japan conducted institutionalized defense diplomacy with the Philippines via the 9th Military–Military (MM) Dialogue, Malaysia through the 7th MM Dialogue in October 2022, Cambodia through the 7th Politico–Military (PM) Dialogue in February 2023, and Singapore through the 18th MM Dialogue in March 2023. Brunei and Japan agreed to newly establish the "Defense Policy Dialogue" at the vice–minister of defense level.

Among them, Japan's specific emphasis was on defense relations with the Philippines. Given Japan's increasing security concerns vis-à-vis the Taiwan Strait and the Philippines' renewed diplomacy under the Marcos balanced administration, both strengthened security ties with each other and with the United States. While nontraditional security issues, particularly HA/DR, remained the primary security focus, Japan's OAS to the Philippines is being framed as a traditional security concern. This strategic posture, however, is not completely shared with the Philippines, which seeks balanced relationship with great powers to ensure its own national interests, and thus, the degree to which the Philippines would "tilt" among the great powers depends on the development of the strategic environment.

Socio-Economic Relations: IPEF and Asia Zero Emission Community

Economic relations between Japan and Southeast Asia remained stable in the post-COVID-19 period. While Japan's direct investment toward ASEAN in Japanese fiscal year 2022 was 2.6539 trillion yen (\$20 billion), dropping approximately 10% from a year earlier, its net share of Japan's total outward direct investment, 11.7%, exceeded China's (5.2%). ASEAN-Japan trade relations also gradually recovered from the negative impact of COVID in 2020, with a 26.6% increase in Japan's exports to ASEAN and 16.9% in Japan's imports from ASEAN between 2020 to 2021. Given the rise of US-China technological decoupling and geoeconomic competition, Japan and Southeast Asian states look for means to diversify economic risks, which becomes an additional incentive for them to strengthen ties with each other.

Also in this period, Japan and Southeast Asian states attempted to support the establishment of "Asia Zero Emission Community" (AZEC). As the joint initiative of Japan and Indonesia in November 2022, AZEC aims to promote regional decarbonization to achieve the objectives of the Paris Agreement and facilitate energy transition while considering each member state's socioeconomic situation. So far, the community consists of Australia and ASEAN-minus-Myanmar, and it promotes comprehensive cooperation among member states. The first ministerial meeting was held in March 2023. As this initiative was created on the sidelines of the G20, Japan as 2023 chair of G7 would likely introduce the concept to the G7 and G20 with cooperation from India, 2023 chair of the G20 for the realization of carbon-neutral societies.

Another cooperative framework in the Indo-Pacific that Japan and Southeast Asian states paid attention to was the Indo-Pacific Economic Framework for Prosperity (IPEF). The United States looked for ways to become more involved in economic cooperation in the Indo-Pacific region. Since the US has already withdrawn from the Trans-Pacific Partnership (TPP) and is highly unlikely to commit to any free trade agreements because of domestic opposition, the Biden administration took the initiative to establish IPEF. However, Washington initially framed this grouping in the US-China strategic competition, and the administration aimed to include only "like-minded" states without inviting all the ASEAN member states such as Thailand. As Japan considered ASEAN members' involvement to be vital and suggested that the US invite them, Washington decided to include ASEAN members except for Cambodia, Laos, and Myanmar.

IPEF members from Southeast Asia generally welcome this US initiative since it shows its involvement in regional economic affairs; however, several ASEAN members remained cautious. For example, Cambodia's <u>Hun Sen</u> indicated that any economic cooperative frameworks needed to support ASEAN Centrality in May 2022. Negotiations over the four pillars—1) trade, 2) supply chains, 3) clean energy, decarbonization, and infrastructure, and 4) tax and anti-corruption—continue, and because of US unwillingness to reduce tariffs, the outcome is uncertain. Japan and Southeast Asian members also want to assure non-IPEF ASEAN members that the IPEF would not compete with ASEAN in the Indo-Pacific.

Southeast Asian states prefer cooperation to geopolitical and geoeconomic competition that would divide not only the Indo-Pacific but also Southeast Asia. Given deepened economic relations with China and traditionally strong trade ties with the United States, it is extremely difficult, if not impossible, for Southeast Asian states to consider economic decoupling with China or to weaken economic links with the United States. As such, Japan's concept of "economic security" does not resonate with the interests of Southeast Asia, although bilateral and multilateral information-sharing and discussion remain imperative. Rather than accepting confrontational postures, Southeast Asia is more likely to accept future-oriented cooperative economic measures, such as the Japan-Indonesia joint initiative for AZEC.

Looking Ahead

As a great power politics evolve rapidly and Japan's threat perceptions toward China converge with those of the United States, Japan has inclined toward a more competitive national security strategy. This was well-illustrated by Japan's support for US initiatives in countering China, such as US-Dutch-Japan Trilateral Semiconductor Export Controls, as well as three security documents issued in 2022. Southeast Asian states maintained their traditional strategic posture, hedging against the risk of great power politics. To that end, ASEAN under the Indonesian chair in 2023 has doubled down its strategy to maintain good relations with all major powers in the Indo-Pacific and took an initiative to mainstream the four priority areas of the AOIP. Moreover, ASEAN gradually moves to clarify what it means by ASEAN Centrality in Indo-Pacific—maintaining ASEAN the Centrality within ASEAN-led mechanisms and reach out to other regional institutions, such as the Pacific Islands Forum—so that the association can shape the regional order.



Figure 3 Samdech Akka Moha Sena Padei Techo Hun Sen, Prime Minister of the Kingdom of Cambodia and Chair of ASEAN 2022, co-chaired with Kishida Fumio, Prime Minister of Japan, the 25th ASEAN-Japan Summit in Phnom Penh on the afternoon on November 12, 2022.

The good news is that while focusing on geopolitical and geoeconomic competition with China, Japan considers the "Global South" countries important in shaping a new international order. The Kishida administration highlights "rulemaking through dialogues" with the international community under the FOIP that respects diversity, inclusiveness, and openness. Japan is willing to actively engage the Global South. The bad news is that Japan has yet to clarify its priority among the Global South, which consists of diverse regions and strategic environments. The Kishida administration always emphasizes the importance of ASEAN and Southeast Asia, but it does not discuss their relative importance for Japan.

In a rapidly changing strategic environment in the Indo-Pacific region and beyond, the future of Japan-Southeast Asia relations has become increasingly complex. Now that Japan has conceptually organized its security policy, new strategic adjustments will be necessary to define Japan-Southeast Asia relations. But it remains to be seen how they situate each other's strategic roles on the 50th anniversary of Japan-ASEAN friendship and cooperation.

CHRONOLOGY OF JAPAN-SOUTHEAST ASIA RELATIONS

MAY 2022—APRIL 2023

May 2, 2022: Japan–Thailand Summit between Kishida and Prime Minister/Minister of Defense Prayut Chan–o–cha. Japan–Thailand Agreement on the Transfer of Defense Equipment and Technology is also concluded.

May 16-20, 2022: Defense capacity-building program on Underwater UXO Clearance is conducted between Japan and Vietnam.

May 25, 2022: Japan–Malaysia Foreign Minister Meeting between FM Hayashi and Foreign Minister Saifuddin bin Abdullah.

May 25, 2022: Japan-Singapore Foreign Ministers Meeting between FM Hayashi and Foreign Minister Vivian Balakrishnan.

May 26, 2022: Japan-Singapore Summit between Kishida and Prime Minister Lee Hsien Loong.

May 26, 2022: Japan-Thailand Summit between Kishida and Prime Minister/Minister of Defense Prayut.

May 27, 2022: Japan-Malaysia Summit between Kishida and Prime Minister Ismail Sabri bin Yaakob.

June 2-9, 2022: Japan-Philippines Vessel Maintenance Cooperation Project is conducted as part of Japan-Philippines-United States trilateral cooperation.

June 10-17, 2022: Japan-Philippines capacitybuilding program on aviation medicine is conducted.

June 10, 2022: Prime Minister Kishida makes keynote speech at Shangri-La Dialogue.

June 11, 2022: Japan–Singapore Summit between Kishida and Lee and a meeting with President Halimah Yacob. Japan–Singapore Defense Ministers Meeting between Minister Kishi and Minister Ng Eng Hen. **June 22, 2022**: ASEAN–Japan Defense Ministers' Informal Meeting with Defense Minister Kishi and ASEAN Defense Ministers.

June 30, 2022: Foreign Minister Hayashi attends the inauguration of Philippine President Ferdinand Marcos.

July 8, 2022: Japan-Indonesia Foreign Ministers Meeting between Hayashi and Foreign Minister Retno Marsudi.

July 12, 2022: Japan-Philippines Foreign Ministers' Telephone Talk between Hayashi and Foreign Secretary Enrique Manalo.

July 25, 2022: Foreign Minister Hayashi issues statement, "Regarding Executions of Myanmar Citizens including Pro-democracy Activists."

July 26, 2022: Hayashi releases "Joint Statement on Execution of Pro-Democracy and Opposition Leaders in Myanmar" with Australia, Canada, New Zealand, Norway, Republic of Korea, the UK, and the US.

July 27, 2022: Japan-Indonesia Summit takes place between Kishida and Jokowi.

July 28, 2022: Foreign Minister Hayashi issues "G7 foreign Ministers' Statement on the executions by the military junta in Myanmar."

July 29, 2022: Japan and Laos sign Memorandum of Cooperation (MOC) on "Specified Skilled Worker."

Aug. 4, 2022: FM Hayashi participates in ASEAN-Japan Foreign Ministers Meeting and ASEAN+3 Foreign Ministers Meeting that issues the "ASEAN Plus Three Cooperation Work Plan (2023-2027).

Aug. 4, 2022: Japan-Vietnam Foreign Ministers conversation takes place between Foreign Minister Yoshimasa Hayashi and Vietnamese Foreign Minister Bui Thanh Son. **Aug. 4, 2022**: Japan–Cambodia Foreign Ministers Meeting between Hayashi and Deputy Prime Minister/Foreign Minister Prak Sokhorn. Hayashi met Kao Kim Hourn, minister attached to the prime minister.

Aug. 5, 2022: FM Hayashi participates in ASEAN Region Forum and EAS Foreign Ministers Meeting. Hayashi also met ASEAN Secretary– General Lim Jock Hoi.

Aug. 5, 2022: Japan-Brunei Foreign Ministers meeting between Hayaashi and Foreign Minister Erywan.

Aug. 6, 2022: Japan–Laos Foreign Ministers Meeting between Hayashi and Foreign Minister Saleumxay Kommasith.

Aug. 17, 2022: Japan-Philippines Foreign Ministers' Telephone Talk between Hayashi and Manalo.

Sept. 2, 2022: Japan-Malaysia Foreign Minister Telephone Talk between Hayashi and Saifuddin.

Sept. 8, 2022: 5th Japan-Philippines Vice Minister Leve Strategic Dialogue is held.

Sept. 11-15, 2022: Defense capacity-building program on Air Rescue is conducted between Japan and Vietnam.

Sept. 21, 2022: Japan-Philippines Summit-Level Working Lunch with Kishida and Marcos.

Sept. 22, 2022: FM Hayashi issues statement, "Completion of the Khmer Rouge Trials." Japan has contributed financially (30% of the international assistance) to setting up the Khmer Rouge Trial

Sept. 26, 2022: Japan-Vietnam Summit between Kishida and President Nguyen Xuan Phuc.

Sept. 27, 2022: Japan-Singapore Summit take place between Kishida and Lee.

Sept. 28, 2022: Japan-Cambodia Summit meeting between Kishida and Prime Minister Hun Sen.

Oct. 8, 2022: Foreign Minister Kishida holds meeting with Singaporean Senior Minister Tharman Shanmugarathnam. Foreign Ministers' Level Working Lunch between Hayashi and Balakrishnan also takes place.

Oct. 9, 2022: FM Hayashi makes a visit to Malaysia, meeting with Foreign Minister Saifuddin and Senior Minister/MITI Minister Mohamed Azmin Ali.

Oct. 10-11, 2022: Defense capacity-building program on Underwater Medicine is conducted between Japan and Vietnam.

Oct. 17-20, 2022: Japan-Philippines HA/DR Cooperation project is conducted.

Oct. 26–27, 2022: Defense capacity-building program on vessel maintenance is conducted between Japan and the Philippines.

Oct. 28, 2022: Japan-Indonesia Summit Telephone Talk between Kishida and Jokowi.

Nov. 4, 2022: 13th Japan–Philippines High Level Committee on Infrastructure Development and Economic Cooperation held. Japan–Philippines Summit Informal Talk between Japan and the Philippines.

Nov. 8, 2022: Japan-Indonesia foreign ministers' telephone call between Hayashi and Marsudi takes place.

Nov. 12, 2022: Japan-Laos Summit Informal Talk between Kishida and Prime Minister Phankham Viphavanh.

Nov. 12, 2022: Kishida attends ASEAN+3 Summit and the ASEAN-Japan Summit.

Nov. 13, 2022: Kishida participates in the 2nd ASEAN Global Dialogue initiated by Cambodia. Kishida participated in EAS.

Nov. 13, 2022: Japan-Brunei Summit Informal Talk between Kishida and Sultan Haji Hassanal Bolkiah.

Nov. 13, 2022: Japan-Vietnam Summit takes place between Kishida and PHAM Minh Chinh.

Nov. 14, 2022: Japan–Indonesia Summit takes place between Kishida and Jokowi. Japan and Indonesia issued a "Joint Announcement on Asia Zero Emission Community (AZEC) Concept." **Nov. 14-17, 2022**: Japan-Malaysia HA/DR Cooperation Project is conducted.

Nov. 17, 2022: Japan-Thailand Summit between Kishida and Prayut. Japan and Thailand decided to upgrade relationship to "Comprehensive Strategic Partnership." Japan-Thailand Foreign Minister Meeting between Hayashi and Deputy Prime Minister/Foreign Minister Don Pramudwinai. "Five-Year Joint Action Plan on Japan-Thailand Strategic Economic Partnership: Towards a More Resilient and Sustainable Future" is agreed upon.

Nov. 17, 2022: Japan-Vietnam Foreign Ministers Meeting between Hayashi and Foreign Minister Bui.

Nov. 23, 2022: Parliamentary Vice–Minister of Defense Onoda participates in 9th ADMM–Plus.

Dec. 5-15, 2022: Defense capacity-building program on Underwater UXO Clearance is conducted.

Dec. 6, 2022: FM Hayashi meets Minister Kao Kim Hourn, next secretary-general of ASEAN.

Dec. 12-16, 2022: Defense capacity-building program on HA/DR (search and rescue and military medicine) is conducted.

Dec. 14, 2022: Japan-Singapore Experts Level Meeting on Digital Economy Cooperation is held.

Dec. 16-20, 2022: Japan-Indonesia HA/DR Cooperation Project conducted as Japan's defense capacity-building program.

Dec. 20-23, 2022: Defense capacity-building program on cybersecurity conducted between Japan and Vietnam.

Dec. 22, 2022: Japan-Malaysia Foreign Ministers' Telephone call between Hayashi and Foreign Minister Zambry Abdul Kadir.

Jan. 18, 2023: Planning Committee on Japan-Singapore Partnership Program for the 21st Century, JSPP21, takes place.

Jan. 23-February 2023: Defense capacitybuilding program on HA/DR (engineering) is conducted between Japan and Laos. **Jan. 24, 2023**: Japan-Cambodia Foreign Ministers Meeting between Hayashi and Sokhonn.

Feb. 1, 2023: Foreign Minister Hayashi issues the statement, "The Situation in Myanmar Two Years after the Coup d'Etat."

Feb. 7, 2023: 7th Japan-Cambodia Politico-Military (PM) Dialogue takes place.

Feb. 9, 2023: Japan-Philippines Summit between Kishida and Marcos, issues "Japan-Philippines Joint Statement." <u>Terms of</u> <u>Reference</u> (TOR) concerning Humanitarian Assistance and Disaster Relief (HADR) Activities of the Japan Self-Defense Forces (JSDF) in the Republic of the Philippines is signed.

Feb. 9, 2023: Japan-Vietnam Summit Video Teleconference Meeting between Kishida and Secretary Nguyen Phu Trong.

Feb. 10, 2023: Japan-Philippines Foreign Ministers' Working Lunch between Hayashi and Manalo. Japan-Philippines Defense Ministers' Meeting between Minister Hamada and Secretary Carlito Galvez Jr.

Feb. 13–17, 2023: 5th Japan–ASEAN Invitation Program on Humanitarian Assistance and Disaster Relief is conducted.

Feb. 15, 2023: First Japan–Brunei Policy Meeting at Senior Official Level is held.

Feb. 21, 2022: FM Hayashi meets ASEAN ambassadors in Japan, says Japan will mainstream AOIP.

Feb. 28-March 15, 2023: Japan-Philippines Vessel Maintenance Cooperation Project is conducted.

March 2-8, 2023: Defense capacity-building program on HA/DR (search and rescue and military medicine) is conducted between Japan and Laos.

March 6, 2023: Japan-Indonesia Foreign Ministers Meeting between Hayashi and Marsudi takes place.

March 6-9, 2023: Defense capacity-building program on Air Rescue is conducted between Japan and Vietnam.

March 14-17, 2023: Japan-ASEAN Ship Rider Cooperation Program is conducted.

March 27, 2023: 6th Japan-Philippines Vice Minister Level Strategic Dialogue is held.

March 29, 2023: 5th Japan–Philippines Maritime Dialogue is held.

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