

The Summary of Asia Reassurance Initiative Act of 2018

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January 2, 2019

By IndraStra Global News Team



On December 31, 2018, U.S. President Donald J. Trump signed *Asia Reassurance Initiative Act of 2018 (ARIA)* along with 12 other bills. The ARIA Act, specifically, calls for America's increased engagement in the Indo-Pacific region and strengthened support, including arms sales, for U.S. allies in the region. The legislation is authored by Senators Cory Gardner (*R-CO*) and Ed Markey (*D-MA*), Chairman and Ranking Member of the Senate Foreign Relations Subcommittee on East Asia, the Pacific, and International Cybersecurity.

Before being signed by the President and enacted as a law, the subcommittee conducted five hearings, examining a range of national security, economic, and rule of law challenges in the Indo-Pacific region. The bill was introduced on April 24, 2018, by Sen. Cory Gardner (*R-CO*), was referred to the Senate, and passed by unanimous consent on December 4. Consecutively, the act was introduced into Congress on September 25 and it was approved by the Congress on December 12.

The act develops a long-term strategic vision and a comprehensive, multifaceted, and principled United States policy for the Indo-Pacific region.

Part 1: Security Interests[1]

- Authorizes US\$ 1.5 billion annually for 5 years to enhance U.S. presence in the Indo-Pacific;
- Reaffirms U.S. security commitments to our allies in the Indo-Pacific, including Japan, South Korea, and Australia and builds security partnerships with nations in Southeast Asia;
- Establishes a policy goal to peacefully denuclearize North Korea through the campaign of maximum pressure and engagement;
- Enhances the U.S. diplomatic, economic, and security relationship with India;
- Enforces U.S. freedom of navigation and overflight rights in the Indo-Pacific;
- Expresses support for regular arms sales to Taiwan and to enhance the economic, political, and security relationship between Taiwan and the United States;
- Promotes robust cybersecurity cooperation with our allies in the region; and
- Sets U.S. policy to pursue effective arms control and nuclear nonproliferation policies in the Indo-Pacific region.

Part 2: Economic Engagement[2]

- Promotes economic cooperation in the Indo-Pacific region as essential for the growth of the U.S. economy and success of American businesses;
- Authorizes bilateral and multilateral trade negotiations with Indo-Pacific nations;
- Provides for robust U.S. commercial presence throughout the Indo-Pacific region to promote U.S. exports and additional trade facilitation efforts;
- Authorizes the imposition of penalties on entities and governments engaged in the theft of United States intellectual property; and
- Requires a new comprehensive U.S. policy to promote energy exports.

Part 3: Promoting Values[3]

- Provides US\$ 150 million annually for 5 years for democracy, rule of law, and civil society support, including \$10 million annually for freedom of information efforts in North Korea;
- Call for additional U.S. efforts against trafficking-in-persons and human slavery; and Authorizes U.S. sanctions against human rights abusers.

To read the full text of the "S.2736 - Asia Reassurance Initiative Act of 2018 115th Congress (2017-2018)", [Click here](#).

Budgetary Effects

According to Congressional Budget Office (CBO), ARIA Act would specifically authorize the appropriation of almost US\$ 8.6 billion over the 2019-2023 period to implement various aspects of U.S. policy in the Indo-Pacific region. The bill also would authorize unspecified amounts for new and ongoing activities that CBO estimates would require additional appropriations of US\$ 0.6 billion over that same period. In total, CBO estimates that implementing ARIA Act would cost US\$ 6.6 billion over the 2019-2023 period, assuming appropriation of the authorized and estimated amounts. The remainder would be spent after 2023.

TABLE 1. BUDGETARY EFFECTS OF S. 2736, THE ASIA REASSURANCE INITIATIVE ACT OF 2018

	By Fiscal Year, in Millions of Dollars					2019-2023
	2019	2020	2021	2022	2023	
INCREASES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	1,838	1,838	1,838	1,838	1,837	9,189
Estimated Outlays	660	1,121	1,426	1,634	1,735	6,576

Chart Attribute: The estimated budgetary effect of S. 2736 Asia Reassurance Initiative Act of 2018 / Source: Congressional Budget Office (CBO) Cost Estimate, S. 2736 Asia Reassurance Initiative Act of 2018 (As reported by the Senate Committee on Foreign Relations on October 3, 2018)

Actual costs could differ if the Congress appropriates more or less than the amounts estimated by CBO; such decisions could be based on information from federal agencies or other sources that differs from the information CBO used during the making of the estimation.

Global Reactions

China

"The act seriously violated the one-China policy and the principle of the three joint communiques, and it interfered in China's internal affairs. China expresses strong opposition to the U.S. and has

made solemn representations to the country," said Chinese Foreign Ministry spokesperson Lu Kang at a regular briefing. He further added, "We urge the U.S. not to implement relevant parts of the act and properly handle the Taiwan issue, so as to avoid hurting bilateral ties and the peace and stability across the Taiwan Straits."

Early morning today, Chinese President Xi Jinping **stressed on the Taiwan issue** at a gathering in Beijing to commemorate the 40th anniversary of issuing Messages to Compatriots in Taiwan. Calling it as China's internal affairs and will not allow any external interference.

Taiwan

Taiwan's Presidential Office Spokesperson Alex Huang **welcomed and thanked US President Trump** for the signing of ARIA Act. He also noted that the ARIA reiterates the US commitment to Taiwan's security, supports closer Taiwan-US relations, and affirms the value of US partnership with Taiwan and other countries in the region.

India

India's Union Minister of Defence Nirmala Sitharaman has hailed the ARIA Act by which says *"designation of India as a major defense partner...is unique to India...elevates defense trade...technology cooperation between the United States & India to a level commensurate with...closest allies & partners of the United States"*.
