

**Strategic Dimensions
of
United States Defense Relations with Taiwan**

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The United States, China, and Taiwan

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Introduction

This paper analyzes the strategic dimension of the relations between the United States and the Republic of China on Taiwan. Of course, much depends on how the term “strategic” is defined and even more on which aspects of the concept are emphasized.

However, the systematic identification of the various elements of the concept of the “strategic” and the tracing of their interrelationships is beyond the scope of the present effort. Rather, the focus is on what Chinese strategists refer to as “Comprehensive National Power” which I take to mean the impact of the sum total of military, economic, political, social, and institutional factors, and such ideational factors as nationalism, patriotism, social cohesion, and resilience on the ability of a nation, not only to defend itself against military attack, but also on the ability to influence the behavior of other nations. The issue then is how U.S./Taiwan defense relations affect the abilities of both parties to affect their strategic environments and achieve their vital interests.

Trends in Taiwan

In the early 1980s, when Beijing began slowly to participate more fully in the affairs of the international community, Taipei’s strategic position began to deteriorate. Moreover, that deterioration accelerated with the expansion of the Chinese economy and especially as Beijing’s foreign policy began after 2002 to reflect new levels of flexibility, subtlety, and nuance. The slide continues and shows little sign of slowing in the near term.

Taiwan starts with a major disadvantage. All of the nations of the Asia Pacific region accept Beijing’s claim of sovereignty over Taiwan. For them, the issue is simple: Taiwan is a part of China; the only solution resides in peaceful integration of the two. Moreover, whether they believe it to be feasible, or view it simply as a rhetorical fig leaf, regional officials publicly support the One Country Two Systems approach enunciated by Deng Xiaoping more than two decades ago.

The reasons for this are as obvious as they are irreversible. Core economic, political, and strategic interests are involved. Economically, despite Taiwan’s rise to the position of the world’s 14th economy, and despite the continued strengthening of its political and economic institutions, the region’s economic leaders remain focused on China. With its potential market of 1.3 billion consumers, consistent annual increases of

6-10% in GDP, record levels of Direct Foreign Investment, the value of the RMB, and its penetration of U.S., Japanese, and Southeast Asian markets, China seems poised to emerge as the dominant regional economy and driver of economic growth.

Trade with Taiwan and investment by Taiwan based companies are highly valued and are likely to remain significant factors for many years into the future. However, in the view of regional leaders, China's economy will inevitably surpass that of Taiwan, and even though it is understood that China's economic competitiveness will threaten the markets and potential for attracting investment of their own economies, regional entrepreneurs and economic policy officials are bound to value future economic relations with China more than those with Taiwan. Simply put, there is more money to be made in China than in Taiwan.

The political realm presents a similar picture, and this in two ways. First, economics and politics mutually reinforce each other. Broad and deep economic ties require at least stable political ties. Beijing has been very successful and clearly has won the political competition for recognition and legitimacy.

Although Taiwan's economic ties with the region remain vibrant the political utility of its unofficial trade and cultural offices has been greatly reduced since 1994. It is true that such organs as TECRO in the United States have from, their perspective, scored significant achievements, and also that their counterparts in other nations do a credible job of nurturing a range of unofficial contacts. But these have been undermined to a large degree by the fallout resulting from the course of domestic political developments in Taiwan. It is a fact that no government of a major nation recognizes the Republic of China. It is also a fact that there is decreasing international support for Taiwan participation in such international organizations as the World Health Organization (WHO). Taiwan's unofficial diplomacy and network of international contacts, despite the competency of its personnel and a large budget, has become less capable of responding to Beijing's competitive diplomacy. Overall, it is arguable that Taiwan's international political position – never very strong – has weakened further in the last decade.

A second reason for the decline of Taipei's overall political standing is a perception within the region and, significantly, in the United States as well that the present government of Taiwan, like its predecessor, is determined to achieve *de jure* as well as *de facto* independence and, more important that the DPP/TSU combination is actively and deliberately attempting to create conditions favorable to such an eventuality. There is a lack of confidence and trust with respect to the ultimate intentions of the Taiwan political leadership. Inseparable from this is a fear that Taiwan's policies could result in an armed conflict between Taiwan and China that would have major negative impact on the entire region.

The argument asserts that since the rise of Lee Teng-hui, the terms and definitions of the cross strait discourse have altered in important ways. Until Lee's election, it was generally assumed that the governments of both Taiwan and China were committed to

achieving reintegration in some form at some time in the future. This was perceived to be a lesson of the initial Koo-Wang talks held in Singapore in 1993.

However, after his election as President in his own right, President Lee then interjected into the cross strait discourse his concept of the “Special State to State Relationship,” a concept that directly challenged Beijing’s ideal of “One China.” It should also be recalled, that President Lee attempted to add substance to the claim by his “flexible diplomacy,” his “golfing vacations,” and of course by his visit to the United States.

President Chen Shui-bien continued this approach. After a conciliatory and confidence producing inaugural address, he then in the opinion of many observers took the Special State to State Relationship a significant step further by his enunciation of the idea that there is one country on each side of the Taiwan Strait. This was followed by proposals for constitutional revision, and for a national referendum on such revision which in the face of broad opposition in the United States and in the region was transformed into the proposed “defensive referendum” scheduled to be held in conjunction with the Presidential election scheduled for March 20, 2004. Opposition to even a defensive referendum is widespread throughout the region and in the United States as well.

As noted above, whether justified or not, these events have combined to produce a widely held perception of a leadership that is inconsistent, mercurial, naïve, and ultimately dangerous because their actions might provoke conflict. Even a cursory reading of the regional press will support this assertion. Additionally, there is a wealth of anecdotal information alleging an impetuosity, a lack of willingness to attend to other points of view, a tendency towards out-of-hand rejection of well-intentioned advice, and even the general untrustworthiness of the current government of Taiwan. It is worth noting that a series of missions dispatched to explain the non-threatening purpose and intent of the referendum proposal were either aborted or clearly unsuccessful. Whether or not such allegations are justified is a separate question that will not be addressed here. However, that Taiwan in general and the DPP in particular has suffered a major decline in international credibility and standing is incontrovertible.

The View from Washington: Strategic Asset or Liability?

Washington’s relations with Taiwan have been and remain extremely complex. Historically, the relationship with Chiang Kai-shek and the Kuomintang was seldom smooth and often strained. The clear imperatives, strategic and economic, for a close relationship were complicated by countervailing tensions and pressures resulting from the patterns of Taiwan’s domestic politics. The result was to impart to the U.S. relationship with Taiwan an element of inconsistency that persists to the present day.

It will be recalled that after 1949, the U.S. disassociated itself from Chinese affairs and it seemed as though the conquest of the island by PRC forces was only a matter of time. However, events on the Korean peninsula were judged to require the

military neutralization of the Taiwan Strait. Later, the U.S. connection with Taiwan became inseparably linked with the requirements of containment. By concluding the Mutual Security Treaty and recognizing the Republic of China as China's sole legitimate government, Washington embedded a stone in the wall of containment it was actively building. However, the U.S. also acquired a formal ally in which it had little confidence, which required what were at the time regarded as massive amounts of economic and military assistance, and which politically remained far more authoritarian and anticommunist than democratic. Not for the first time, and not for the last, Washington entered into close relationship with a government whose values differed greatly from its own.

On the other hand, the negative elements within the relationship were offset by a number of important positive factors. For example: certain elements of the armed forces did respond positively to U.S. pressures for military reform and reorganization; land reform was implemented in an effective manner; economic development and trade rapidly increased to the advantage of the United States and its regional allies; and, a nascent movement for political reform began to take shape. The result was, that despite the stresses and strains caused by Taiwan's domestic political affairs. The Taiwan connection provided a level of strategic and economic benefit that was sufficient to sustain it. Although the tie was strategically and economically beneficial to both sides, in political terms it was never really very close. An important question is: do those benefits exist today and is it in the interest of the United States to maintain the relationship in at least some form?

The answer is, as it has always been, both yes and no. In a military sense, Taiwan has lost most if not all of its value to the United States. Containment is no longer an issue. Since the latter stages of the Cold War and especially since November 11, 2001, it has been the policy of the United States government to engage directly with Beijing and to develop a network of economic, political, and military relationships that is both broad and deep. Although there is much legitimate debate within the United States on the question of Beijing's ultimate intentions and motivations, the official view is that good relations with China are in the interest of the United States.

Also, it is not likely that the integration of Taiwan with the mainland and the subsequent stationing of People's Liberation Army (PLA) forces on the island would have a major impact on the ability of the United States and its allies to conduct military operations in the Western Pacific. The territory of the PRC would be extended by about 200 miles, but in the event of military action, that small increase in range would not be a major factor influencing the ability of the U.S. and Japan to concentrate military force were that to become necessary.

With respect to Sea Lines of Communication (SLOCs), although it is true that navigation through the Taiwan Strait would become more problematic, most international commercial sea traffic does not follow that route. Rather, the SLOCs pass east of Taiwan and could still be defended successfully in the unlikely event that Beijing would try to

interdict them (unrestricted SLOC's are as important to China's economy as they are to those of the other nations of Northeast Asia).

It is probably true that a PLA presence on Taiwan would render the Chinese better able to bring their military power to bear in the South China Sea. However, in the short-to-mid-term at least, Beijing's desire for continued economic development and the resultant need for stability along its periphery make such an action most unlikely.

Finally, any PLA facilities on Taiwan would have to be defended from the assault that would almost certainly be launched against them. This would impose a burden that the PLA will remain ill-prepared to assume for sometime into the future. In the circumstances, militarily, a PLA presence on Taiwan arguably would create more problems than advantages for the PLA.

In sum, a Chinese military presence on Taiwan would complicate the task of the U.S. and probably Japanese military planners who would have to adjust to a different tactical situation. It would also impose additional strain on naval and air forces that are already stretched thin and overextended. However, militarily, Chinese acquisition of Taiwan and the establishment of a PLA presence would not seriously threaten any vital interest of the United States. All in all, it seems clear that, despite the rhetoric of some analysts in China, Taiwan, and in the United States, in military/strategic terms, the value of Taiwan to the United States is for all practical purposes, marginal at best.

Nonetheless, in political terms, the nature of Washington's relationship with Taiwan remains critically relevant to the strategic position of the United States, in the Asia Pacific region and globally. The issue bears upon the credibility of the U.S. and by extension on American ability to defend and achieve vital economic and political interests.

Since 1995, Beijing has used military exercises, missile deployments, and harsh rhetoric to raise the spectre of military conflict in the Taiwan Strait. Whether the PLA muscle flexing is designed to deter what is perceived in Beijing to be a gradual progress towards independence or whether it is an effort to compel Taiwan to accept reunification essentially on Beijing's terms is a matter of debate. However, no matter what the case, the Taiwan Strait undeniably remains a potential locus of armed conflict. Given the history of Washington's relations with both Taipei and Beijing since 1949, this possibility of conflict raises a major strategic dilemma for the U.S.

The United States is virtually alone in its support for Taiwan. Canberra, Jakarta, Seoul, Singapore, Tokyo and the capitals of the European Community define their interests in Taiwan essentially in terms of economics. Even though they may admire Taiwan's accomplishments, particularly its democratic political system, it is clear that even unofficial political contacts are regarded as a price to be paid rather than an intrinsic good. Mindful as they are of China's growing comprehensive national power, they have an obvious stake in maintaining stable ties with Beijing and they are not willing to risk them for the sake of Taiwan. At the same time, they see a credible United States presence

in the region as an effective counter to China's rise, whether it is accomplished peacefully or not.

In this light, the quality and effectiveness of Washington's management of its relations with Beijing and Taipei acquire major significance for American strategic interests. If U.S. policy is able to balance effectively Chinese insistence on the One China principle against what appears to be a growing separatist sentiment on Taiwan, or if the U.S. is able to maintain an environment in which there is an enduring commitment to a peaceful solution, it gains strategically. To the extent that Washington is perceived to be failing to maintain stable cross strait interactions or to the extent that bellicosity or independence related activities persist or increase, the U.S. loses strategic credibility. In other words, the United States is judged as a strategic leader according to how effectively it enables the nations of the region to maintain their own stable ties with both Taipei and Beijing. If developments across the strait force a choice between the U. S. and China, U.S. regional credibility and influence will diminish.

This situation is part and parcel of a larger strategic dilemma. If Beijing attempts to use force to compel reunification, and Washington fails to support Taiwan, the U.S. will suffer irreparable strategic loss. Management considerations aside, the failure to defend Taiwan from an unprovoked Chinese attack would completely negate the balancing/hedging/countering function of the U.S. presence. In the absence of a credible hedge, the Asia Pacific powers would almost certainly begin to bandwagon with China at the expense of the United States.

Although it is arguable, a conflict provoked by a Taiwan declaration of independence or even the crossing by Taiwan of a clearly defined Chinese red line would likely produce a similarly damaging result for Washington. Again putting management considerations aside, a U.S. failure to come to the aid of a democratic country that is perceived to be asserting its right to exist would, as in the case of an unprovoked conflict, seriously undermine Washington's strategic position within the region.

Conclusion

At the present time, Taiwan is probably more of a strategic liability than a strategic asset for the U.S. However, the situation is not irreversible. Although Chen Shui-bien's actions can legitimately be explained as a response to the demands of contesting a democratic election, it is a matter of record that they have been rejected by the U.S., China, and a significant portion of the region as provocative and destabilizing. It should also be noted that, if there is a problem in U.S. relations with Taiwan, it is in many respects a problem created by the policies of the last three years or so. The Bush administration has given Chen ample cause to exaggerate the level of support he can reasonably expect.

However, in the last weeks, Washington has worked hard to make Chen aware of the potential negative consequences of his actions and their implications for U.S. support in the event of a crisis. U.S. officials have also tried to define more clearly the limits

within which the DPP can operate and still maintain the support of the United States. However, it is not yet clear that the lessons have been learned. Such efforts should continue for it is only by adroit and effective management that the United States will be able to effect a resolution of the China/Taiwan dilemma that offers a chance of maintaining its strategic equities in the region and globally.